From: Wilmot, Dan

Sent: Thursday, August 10, 2017 7:42 AM

To: McCormack, Brian;Colgary, James;Brouillette, Dan

Subject: WV Gov

CALL IT THE REVERSE CARBON TAX: West Virginia Governor and new Republican Jim Justice, who made billions as a coal magnate, says President Donald Trump is "really interested" in his plan to subsidize Appalachian coal production, according to news reports. The subsidy would involve the Department of Homeland Security paying eastern utilities \$15 per ton of Appalachian coal burned, according to Bloomberg. Justice says he has discussed the plan, which analysts peg at costing more than \$1.6 billion annually, with Vice President Mike Pence, Jared Kushner and Energy Secretary Rick Perry. The subsidy likely would face opposition from Western coal producers, the natural gas industry, and the wind and solar sectors.

Why DHS? Justice says a healthy reliance on coal for electricity is the best protection against terror attacks on energy infrastructure, echoing an argument made frequently by EPA Administrator Scott Pruitt. "Can you imagine what would happen if we lost the power in the east for a month, or two months, or three months?" Justice said. "It would be like a nuclear blast went off. You would lose hundreds of thousands of people. It would be just absolute chaos beyond belief.'

Dan Wilmot
Deputy COS
Department of Energy
(b) (6) Direct
(b) (6) Cell

From: Brouillette, Dan

Sent: Wednesday, August 23, 2017 8:14 PM

Colgary, James To: Subject: FW: (b) (5)

Fysa

From: (b) (6)

Date: Wednesday, Aug 23, 2017, 11:28 AM

To: Brouillette, Dan < Dan.Brouillette@hq.doe.gov>

Cc: Venuto, Kenneth < Kenneth. Venuto@hq.doe.gov >, (b) (6)

Subject: (b) (5)

Secretary Brouillette,

, I am the (b) (6) My name is (b) (6)

> . I have spent (b) (6) with the Federal

. Prior to my current position I was the Government, the majority in (b) (6)

(b) (6) (b) (5)

I believe you appear to be the correct person to raise the following information.

I have consulted with my supervisor, local (b) (6) , and with their advice (b) (5), (b) (6)

(b) (5), (b) (6)

(b) (5), (b) (6)

(b) (6)

(b) (6)

(b) (5), (b) (6)

(b) (5), (b) (6)

## (b) (6)

Warning: This transmission contains confidential information intended only for the person(s) named above. It may contain information that is protected from disclosure or that is exempt from disclosure under applicable laws, including, but not limited to, FOIA or Privacy Act. Any use, distribution, copying or other disclosure by any other person is strictly prohibited. If you have received this e-mail in error, please notify the sender.

From: Colgary, James

Sent: Wednesday, August 23, 2017 8:17 PM

To: Brouillette, Dan FW: (b) (5)

#### Jim Colgary

From: Venuto, Kenneth < Kenneth. Venuto@hq.doe.gov>

Date: Wednesday, Aug 23, 2017, 2:08 PM

To: McCormack, Brian < Brian. Mccormack@hq.doe.gov >, Colgary, James < James. Colgary@hq.doe.gov >

Cc: Mackey, Tonya < Tonya. Mackey@Hq.Doe.Gov >, Wilmot, Dan < Dan. Wilmot@hq.doe.gov >, Smith, Chelsea

< <u>Chelsea.Smith@Hq.Doe.Gov</u>>, Moore, Erin < <u>Erin.Moore@Hq.Doe.Gov</u>>, Beard, Susan < <u>Susan.Beard@hq.doe.gov</u>>, (b) (6)

(b) (6)

Subject: FW: (b) (5)

Brian and Jim,

Just wanted to bring this e-mail to your attention. I just got off the phone with (b) (6) told him about the conversation (b) (5)

(b) (5)

(b) (5) we were

planning to discuss tomorrow at our normal 9 am meeting with Jim and Dan.

#### Ken

From: (b) (6)

**Sent:** Wednesday, August 23, 2017 12:28 PM **To:** Brouillette, Dan < Dan.Brouillette@hq.doe.gov>

Cc: Venuto, Kenneth < Kenneth. Venuto@hq.doe.gov >; (b) (6)

Subject: (b) (5)

Secretary Brouillette,

My name is (b) (6)

Government, the majority in (b) (6)

. I have spent (b) (6) with the Federal
. Prior to my current position I was the

(b) (6) (b) (5)

 $^{(b)}$  (5) I believe you appear to be the correct person to raise the following information.

I have consulted with my supervisor, local (b) (6) and with their advice (b) (5), (b) (6) (b) (5), (b) (6)

(b) (5), (b) (6)

(b) (5), (b) (6)	
(b) (6)	
(b) (6)	(b) (5), (b) (6)

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(b) (6)

sender.

From: (b) (6), (b) (7)(C)

Sent: Wednesday, September 27, 2017 1:20 PM

To: Colgary, James

Cc: Brouillette, Dan;Robertson (Trummell), Candice;Singer, Emily;Turner, Alexa;Moore, Toye

(CONTR)

Subject: (b) (5)

Importance: High

CoS,

From a schedule standpoint, this is feasible. S2 will already be at the WH from 1330 to 1430 for R-DSG. Would require moving a "Press" appointment on the schedule at 1530 – no visibility what the "Press" entails.

V/R, (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Office of the Deputy Secretary U.S. Department of Energy

(b) (6), (b) (7)(C)

O: (b) (6), (b) (7)(C) M: (b) (6), (b) (7)(C)

From: Wilmot, Dan

Sent: Wednesday, September 27, 2017 1:05 PM

To: Colgary, James <James.Colgary@hq.doe.gov>; Brouillette, Dan <Dan.Brouillette@hq.doe.gov>; (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) Robertson (Trummell), Candice < Candice.Robertson@HQ.DOE.Gov>

Subject: (b) (5)

S-1 is on travel. Stan will be reaching out as we will need you to attend, if possible..

dan

From: Gerdes, Stan

Sent: Wednesday, September 27, 2017 12:57 PM

To: McCormack, Brian <<u>Brian.Mccormack@hq.doe.gov</u>>; Wilmot, Dan <<u>Dan.Wilmot@hq.doe.gov</u>>
Cc: Almstead, Deidre <<u>Deidre.Almstead@hq.doe.gov</u>>; Smith, Wayne D <<u>Wayne.Smith@hq.doe.gov</u>>

Subject: (b) (5)

(b)(5)

S1 will be out – who should we send in his place?

Thanks, Stan (b) (5)

(b) (5)

From: (b) (6), (b) (7)(C)

Sent: Wednesday, September 27, 2017 4:40 PM

To: Colgary, James; Wilmot, Dan; Brouillette, Dan; McCormack, Brian

Subject: (b) (5)

CoS,

Per my earlier conversation with Brian and Stan, yes.

V/R,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Office of the Deputy Secretary

U.S. Department of Energy

(b) (6), (b) (7)(C)

O: (b) (6), (b) (7)(C) M: (b) (6), (b) (7)(C)

From: Colgary, James

Sent: Wednesday, September 27, 2017 4:38 PM

To: Wilmot, Dan <Dan.Wilmot@hq.doe.gov>; Brouillette, Dan <Dan.Brouillette@hq.doe.gov>; (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) McCormack, Brian < Brian. Mccormack@hq.doe.gov>

Subject: (b) (5)

Dan at a DC until 4:30. Brian available for (b) (5)

Jim Colgary

From: Wilmot, Dan < Dan.Wilmot@hq.doe.gov>

Date: Wednesday, Sep 27, 2017, 1:05 PM

To: Colgary, James < James. Colgary@hq.doe.gov>, Brouillette, Dan < Dan. Brouillette@hq.doe.gov>, (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) Robertson (Trummell), Candice < Candice.Robertson@HQ.DOE.Gov>

Subject: (b) (5)

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dan

From: Gerdes, Stan

Sent: Wednesday, September 27, 2017 12:57 PM

**To:** McCormack, Brian < Brian.Mccormack@hq.doe.gov >; Wilmot, Dan < Dan.Wilmot@hq.doe.gov > Cc: Almstead, Deidre < Deidre.Almstead@hq.doe.gov >; Smith, Wayne D < Wayne.Smith@hq.doe.gov > Subject: (b) (5)

(b) (5)

S1 will be out – who should we send in his place?

Thanks,

Stan (b) (5)

(b) (5)

From: McCormack, Brian

Sent: Thursday, September 28, 2017 4:58 AM

To: Colgary, James; Wilmot, Dan; Brouillette, Dan (b) (6), (b) (7)(C)

Subject: (b) (5)

Yes

From: Colgary, James < James. Colgary@hq.doe.gov>

Date: Wednesday, Sep 27, 2017, 4:38 PM

To: Wilmot, Dan < <u>Dan.Wilmot@hq.doe.gov</u>>, Brouillette, Dan < <u>Dan.Brouillette@hq.doe.gov</u>>, (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) , McCormack, Brian < Brian. Mccormack@hq.doe.gov >

Subject: (b) (5)

Dan at a DC until 4:30. Brian available for (b) (5)

#### Jim Colgary

From: Wilmot, Dan < <u>Dan.Wilmot@hq.doe.gov</u>>

Date: Wednesday, Sep 27, 2017, 1:05 PM

To: Colgary, James < <u>James.Colgary@hq.doe.gov</u>>, Brouillette, Dan < <u>Dan.Brouillette@hq.doe.gov</u>>, (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) Robertson (Trummell), Candice < <u>Candice.Robertson@HQ.DOE.Gov</u>>

**Subject:** (b) (5)

S-1 is on travel. Stan will be reaching out as we will need you to attend, if possible..

#### dan

From: Gerdes, Stan

Sent: Wednesday, September 27, 2017 12:57 PM

**To:** McCormack, Brian <Brian.Mccormack@hq.doe.gov>; Wilmot, Dan <Dan.Wilmot@hq.doe.gov> **Cc:** Almstead, Deidre <Deidre.Almstead@hq.doe.gov>; Smith, Wayne D <Wayne.Smith@hq.doe.gov>

Subject: (b) (5)

(b)(5)

S1 will be out – who should we send in his place?

Thanks,

Stan

(b)(5)

(b) (5)

(b) (5)

From: Hynes, Shaylyn

Sent: Wednesday, January 10, 2018 6:03 AM

**To:** Brouillette, Dan;Colgary, James

**Subject:** FW: Morning Energy: It pays to be Rick Scott — De Blasio sues Big Oil — Pruitt's first

Senate endorsement?

See the below mention in morning energy. Good hit . Bright eyed Brouillette! I like it.

From: POLITICO Pro Energy politicoemail@politicopro.com>

Date: Wednesday, Jan 10, 2018, 5:43 AM

To: Hynes, Shaylyn < Shaylyn. Hynes@hq.doe.gov>

Subject: Morning Energy: It pays to be Rick Scott — De Blasio sues Big Oil — Pruitt's first Senate endorsement?

By Kelsey Tamborrino and Anthony Adragna | 01/10/2018 05:41 AM EDT

With help from Eric Wolff, Doug Palmer, Darius Dixon, Emily Holden, Ben Lefebvre and Annie Snider

**PROGRAMMING NOTE:** Morning Energy will not publish on Monday, Jan. 15. Our next Morning Energy newsletter will publish on Tuesday, Jan. 16. Please continue to follow Pro Energy issues here.

IT PAYS TO BE RICK SCOTT: Florida Gov. Rick Scott's public disapproval of the White House's plan to open the state's coasts up for offshore drilling last week yielded an about-face from Interior Secretary Ryan Zinke. The two met Tuesday in Tallahassee, where Zinke said he had decided to withdraw Florida from consideration for new oil and gas drilling leases, though seismic testing will be allowed. The abrupt reversal could give a political boost to Scott, should he decide to run for <a href="Bill Nelson">Bill Nelson</a>'s Senate seat. Read Scott's statement here.

"I support the Governor's position that Florida is unique and its coasts are heavily reliant on tourism as an economic driver," Zinke said in a <u>statement</u>. POLITICO Florida's Bruce Ritchie <u>reports</u> that Zinke praised Scott to reporters. Scott "is straightforward, easy to work for, says exactly what he means," Zinke said. "And I can tell you Florida is well-served." (Zinke also got stranded in Atlanta's airport for hours on his way to Florida Tuesday. Pic <u>here</u>.)

**Nelson quickly responded**, tweeting that the move was a ploy. "This is a political stunt orchestrated by the Trump administration to help Rick Scott who has wanted to drill off Florida's coast his entire career. We shouldn't be playing politics with the future of FL," he wrote. The Democratic Senatorial Campaign Committee echoed Nelson, saying in a statement Scott "has and always will be a self-serving con-man."

**Next question:** Should we expect California, New Jersey and other states that oppose offshore drilling to receive Zinke visits? New York Gov. <u>Andrew Cuomo</u> and California AG Xavier Becerra <u>quickly raised</u> that very point, while Virginia Sen. <u>Tim Kaine tweeted</u>: "Virginia's governor (and governor-elect) have made this same request, but we have not received the same commitment. Wonder why ..."

**Zinke may have opened** up a legal Pandora's box with Tuesday's move if he doesn't extend the same attention to other states, since it could violate the Administrative Procedures Act prohibition against "arbitrary and capricious" policy making. The fact that Zinke made the announcement via social media also put the move in legal jeopardy, said Sierra Weaver, senior attorney at the Southern Environmental Law Center. "Taking Florida out of the standard process by a 7 p.m. tweet seems pretty arbitrary," Weaver said. "They have to go through the process in a rational way and make a rational decision." Read more about the politics and complications here.

What's next in Congress? Before the announcement, Florida Republicans were touting an "ironclad" commitment from Speaker Paul Ryan — made before the plan's release, they said — to push a permanent drilling moratorium on energy exploration in the waters of the eastern Gulf of Mexico passed through the chamber this year. "Paul Ryan has never lied to me and I don't think it's in him to do so," Rep. Matt Gaetz told reporters. "If I get everyone who cares about the environment and everybody who cares about the military, I'll fight against the energy shills any day." Does Zinke's move lessen their desire for a moratorium? Only time will tell. Natural Resources Chairman Rob Bishop is open to considering such a moratorium in committee, but contrary to what some Florida Republicans are saying, he said no one has talked to him about it yet.

Also wading in: At least one South Carolina senator doesn't seem to mind Zinke's plan as much as some of his coastal House counterparts and governor. Tim Scott told ME he's "certainly not opposed to it," while hedging that it's "important to have the coastal communities buy in or at least have a seat at the table in the conversation." Meanwhile, more than three dozen senators, led by Oregon's Jeff Merkley, wrote Zinke on Tuesday expressing their own opposition.

WELCOME TO WEDNESDAY! We're your co-hosts Kelsey Tamborrino and Anthony Adragna, and Derek Furstenwerth of Furstenwerth Environmental Strategies was first to know Rep. <u>Bill Flores</u> once served as CEO of Phoenix Exploration Company. For today: Which four-term Idaho governor once also served as secretary of Interior? Send your tips, energy gossip and comments to <u>ktamborrino@politico.com</u> and <u>aadragna@politico.com</u> or follow us on Twitter <u>@KelseyTam</u>, <u>@AnthonyAdragna</u>, <u>@Morning Energy</u> and <u>@POLITICOPro</u>.

**DE BLASIO SUES BIG OIL FOR CLIMATE CHANGE**: New York Mayor Bill de Blasio will today sue the five biggest oil companies in the U.S., alleging climate change and global warming led to Hurricane Sandy and its fallout. The de Blasio administration will announce "that the city will sue for reparations and force the companies to pay for the city's resiliency efforts, which have taken years to complete since 2012," POLITICO New York's Gloria Pazmino reports. De Blasio will also call on several of the city's pension funds to divest from oil companies, sources say.

**PRUITT'S FIRST SENATE ENDORSEMENT?** Asked about POLITICO's scoop that EPA Administrator Scott Pruitt <u>wants to replace</u> Attorney General Jeff Sessions, top EPW Democrat <u>Tom Carper</u> offered a surprise suggestion of a role he'd be better for. "I'd heard another rumor for a year that is that he might try to succeed <u>Jim Inhofe</u> as a U.S. senator," he said. "That would be a better option." <u>John Barrasso</u>, meanwhile, said he hadn't discussed the matter with Pruitt.

**Inhofe wants Pruitt to stay put:** Inhofe, a longtime Pruitt booster, wants him to keep his current gig. "I think he'd do more good there. It deals with a lot of issues that are consistent with what the president is trying to do in expanding the economy," Inhofe told reporters Tuesday.

**CRUZ HOPING FOR WIN-WIN ON RFS:** Sen. <u>Ted Cruz</u> said Tuesday that while ethanol and refining industry groups will be in on future meetings on the Renewable Fuel Standard, "It will ultimately be the senators and the administration who resolve this issue, as President Trump asked us to do." Earlier Tuesday <u>Chuck Grassley said</u> talks between Cruz, <u>Pat Toomey</u>, Grassley and <u>Joni Ernst</u> had stalled, and the group had turned negotiations over to industry. Cruz said industry will be included in the next meeting.

**BISHOP BULLISH ON ENERGY BILL:** Breaking with the conventional wisdom, Bishop thinks it's more than possible Congress can get some sort of energy bill done this year, even though it'll soon be election season. "It may come on the 22nd of December 2018, but the problem in the last session that bogged everything down is energy and the lands issues were tied together," he told reporters. "Keeping energy solely within energy I think helps and makes it easier to come to some kind of conclusion." He said Senate Energy Chairman <u>Lisa Murkowski</u> has agreed to go to conference once their bills (<u>S. 1460 (115)</u> and <u>H.R. 4239 (115)</u>) clear their respective chambers.

**What's the holdup:** Bishop said the original plan was to vote on his onshore and offshore energy package before the end of 2017, but those plans were shelved. "To be honest, leadership was thinking they were having to push too many tough votes on people and I think the whip team wanted a breather," he said.

**SUNPOWER TAKES CASE FOR EXCLUSIONS TO ROSS:** SunPower CEO Thomas Werner said he met with Commerce Secretary Wilbur Ross on Tuesday to make the case his company should be excluded from any tariffs imposed by Trump to shield SolarWorld and Suniva from unfair overseas competition. "Any tariffs without an exclusion for SunPower will cost jobs," Werner told Morning Trade. With Trump's decision expected by Jan. 26, Werner said he could have tell investors about pending job cuts as early as February. "It's not a hypothetical. We'll have to announce on the earnings call what we're doing."

**PLAY IT BY EARMARK:** House Rules Republicans are planning to reopen the debate over earmarks in hearings launching next week, POLITICO's Sarah Ferris <u>reports</u>. The president also waded into the debate, telling lawmakers on Tuesday a return to earmarks could be beneficial. "Of course they had other problems, but maybe all of you should start thinking about going back to a form of earmarks," <u>Trump said</u>.

**SENATE STARTS WRDA WORK:** Senate EPW begins laying the groundwork for a new WRDA bill this morning, hearing from witnesses representing local interests. In 2014, when Congress passed the first WRDA bill in seven years, leaders vowed to return to a two-year cycle in a bid to keep the legislation slim and simple. But the 2016 bill became the vehicle for dealing with lead-tainted Flint, Mich., and a controversial California drought package. Now, with Trump vowing to produce a major infrastructure package, this year's WRDA bill may get pulled into that fight as well. Members have argued the earmark ban is a particular hindrance when it comes to directing the recalcitrant Army Corps of Engineers.

**ICYMI: MURRAY ENERGY RESPONDS:** Murray Energy chief Bob Murray called on the Trump administration — for the second time — to step in and use its emergency authority under the Federal Power Act to keep coal-fired and nuclear power plants open after FERC punted on Perry's plan to prop up those generators, Pro's Eric Wolff <u>reports</u>. Murray also called FERC's decision a "bureaucratic cop-out" in a <u>statement</u> and told <u>The Hill</u> Trump should fire the regulators.

BRIGHT-EYED BROUILLETTE: Murray's blood may be boiling but Deputy Energy Secretary Dan Brouillette took a positive spin on FERC's proposal-killing decision. "We knew from the very first day that this was going to be their decision," he told reporters Tuesday. "We wanted the FERC to act. We started a national conversation — that was our goal. And that conversation is started." The process is in FERC's court now. "Are we going to initiate a new rulemaking or new proposed rule? I don't know what the answer to that question is. We've said our piece, if you will."

**EPA LEADS IN CLIMATE EXCLUSIONS:** EPA has removed more climate change information than any other agency under Trump, according to a group that has been documenting revisions to federal websites. The Environmental Data and Governance Initiative said in a new <u>report</u> that EPA's changes raise "strong concerns about loss of access to valuable information for state, local, and tribal governments, and for educators, policymakers, and the general public." Climate scientist Michael Mann said the report "confirms our worst"

fears" that the Trump administration is "engaged in an unprecedented effort to suppress science and rewrite scientific history."

**PRUITT'S NEW YEAR AGENDA**: EPA's 2018 priorities include replacing carbon and clean water regulations and opening up the debate on climate change, Pruitt told Reuters in an interview. "The climate is changing. That's not the debate," Pruitt said. "The debate is how do we know what the ideal surface temperature is in 2100? ... I think the American people deserve an open honest transparent discussion about those things." The EPA chief reaffirmed the agency will hold a red team-blue team debate on the topic, but offered no further details on the timeline. He did, however, confirm what POLITICO reported last week on the timing of a Clean Power Plan replacement: "A proposed rule will come out this year and then a final rule will come out sometime this year," he said, without expanding on what the rule could look like.

**CLIMATE CAUCUS ADDS 4:** The bipartisan Climate Solutions Caucus added four new members Tuesday: Democrats David Cicilline and Elizabeth Esty, as well as Republicans Mark Sanford and Dan Donovan.

CO2 EMISSIONS CUTS SLOWING: Energy-related greenhouse gas emissions continued to drop last year, but the pace of the decline slowed down, according to preliminary estimates from the consultancy firm Rhodium Group. Between 2005 and 2016, those emissions fell an average of 1.6 percent per year. They fell 1 percent last year as reductions in electricity emissions were offset by growth in transportation, industry and building emissions. Rhodium finds that the U.S. is on track to meet its pledge to cut emissions 17 percent below 2005 levels by 2020 under the 2009 Copenhagen Accord. But the nation would need to "significantly accelerate" to meet its commitment under the 2015 Paris agreement, which Trump has said he will exit.

MAIL CALL — CHANGES SOUGHT AT EPA: Barrasso and <u>Shelley Moore Capito</u> penned a letter to Pruitt on Tuesday asking him to rescind EPA's policy "that disincentivizes air emissions reductions." Read the letter here.

- A bipartisan group of 21 Florida lawmakers wrote to Zinke to oppose any regulatory rollbacks of offshore drilling measures adopted after the Deepwater Horizon. Read that letter <a href="here">here</a>.
- **Sens. Carper and** Sheldon Whitehouse wrote to Pruitt questioning potential conflict of interests with two Federal Advisory Committee advisers. Read it here.

**NAS LAUNCHING NEW INITIATIVE:** The National Academies of Sciences, Engineering, and Medicine are launching a new Climate Communication Initiative to coordinate how they share research with the public. An advisory committee will hold a public meeting in March to define the scope of its work and put together a strategic plan by summer, said Amanda Staudt, who directs the Board on Atmospheric Sciences and Climate and is providing staff support for the initiative.

**INTERIOR TO HOLD REORG MEETING TODAY:** Zinke and top administrators will detail their plans for Interior's reorganization during a two-day "leadership summit," beginning today, with senior-level staffers across the agency's bureaus, E&E News <u>reported</u> last week.

**LNG GOT US FALLING IN LOVE**: <u>Here</u>'s Usher sitting next to Freeport LNG CEO Michael Smith at a Rockets-Warriors game in Houston, as Argus Media reporter Ron Nissimov <u>points out</u>. More on why he might've been in town <u>here</u>.

**PEER PRESSURE:** Public Employees for Environmental Responsibility filed a lawsuit Tuesday against OMB seeking records related to the agency's request for suggestions on how to reorganize the executive branch. PEER alleges OMB failed to respond to its FOIA request by the allotted deadline. Read the suit <a href="here">here</a>.

**CAPUANO SETS UP AT EIA:** Linda Capuano officially took over as Energy Information Administration administrator on Tuesday. She was confirmed by the Senate back in December before lawmakers left town for the holiday.

The agency released its Short-term Energy Outlook on Tuesday, where it predicted U.S. coal production is projected to fall 2 percent this year, Pro's Emily Holden reports.

**MOVER, SHAKER:** Joe Bonfiglio was named new president of EDF Action, the group will announce today. Bonfiglio joined EDF Action six years ago and most recently served as its associate vice president.

- **Former Energy Secretary Steven Chu** will <u>take over</u> as president-elect of the American Association for the Advancement of Science.
- **David Moore**, a longtime energy and environment attorney and former EPA senior official, has joined the Earth & Water Law Group, opening its Atlanta office.
- **Rob Friedlander** has started as communications director and senior adviser for Rep. <u>Beto O'Rourke</u>. He was previously national press secretary at Earthjustice. (h/t Playbook)

#### **QUICK HITS**

- Icahn demands shake-up at U.S. shale producer SandRidge Energy. Reuters.
- How a coal baron's wish list became Trump's to-do list, The New York Times.
- Exxon claims California climate change hypocrisy, <u>CNN</u>.
- U.S. crude hits three-year high as prices climb in tight market, <u>Reuters</u>.
- Nuclear, coal groups target tax bill after bailout rejection, <u>Bloomberg BNA</u>.
- Court cases from coordinated 2016 pipeline protest delayed. AP.

#### HAPPENING TODAY

9:00 a.m. — "Stories to Watch 2018," World Resources Institute, 10 G Street NE Suite 800

9:30 a.m. — U.S. Chamber of Commerce President and CEO Thomas Donohue delivers his annual "State of American Business" address.

10:00 a.m. — "<u>America's Water Infrastructure Needs and Challenges</u>," Senate Environment and Public Works Committee, 406 Dirksen

### THAT'S ALL FOR ME!

To view online:

https://www.politicopro.com/newsletters/morning-energy/2018/01/it-pays-to-be-rick-scott-069368

#### **Stories from POLITICO Pro**

Zinke backs off Florida oil drilling after Scott meeting Back

By Anthony Adragna | 01/09/2018 07:04 PM EDT

Interior Secretary Ryan Zinke announced today he would reverse his plan to allow oil drilling off the Florida coast after meeting with Gov. Rick Scott.

He <u>tweeted</u> that he would remove the state's coastal waters shortly after traveling to Tallahassee to meet with Scott, who President Donald Trump has been pushing to challenge Democratic Sen. <u>Bill Nelson</u> this year.

"I support the Governor's position that Florida is unique and its coasts are heavily reliant on tourism as an economic driver," Zinke said in a statement.

Nelson quickly responded, <u>tweeting</u> that the move was a ploy to boost Scott. "This is a political stunt orchestrated by the Trump administration to help Rick Scott who has wanted to drill off Florida's coast his entire career. We shouldn't be playing politics with the future of FL," he wrote.

Zinke's quick about-face on the drilling plan that was released <u>only last week</u> raises questions about whether other states whose officials have criticized the opening of their coasts to drilling, such as New Jersey and California, will get the same treatment.

It's not clear if Zinke's reversal will allay the anger of Florida lawmakers, some of whom <u>are pushing</u> for a permanent moratorium on all drilling in the eastern Gulf of Mexico. Rep. <u>Matt Gaetz</u> told reporters earlier today that House Speaker <u>Paul Ryan</u> made an "ironclad" commitment before the release of Interior's five-year plan to include language blocking drilling at some point this year.

To view online <u>click here.</u>

#### Back

#### Trump delivers a Senate race sweetener to Scott Back

By Marc Caputo, Ben Lefebvre, Matt Dixon and Bruce Ritchie | 01/09/2018 11:24 PM EDT

Donald Trump delivered a big political contribution to Rick Scott on Tuesday as the Florida governor contemplates a bid for U.S. Senate: a pledge to spare Florida from administration plans to expand offshore oil drilling nationwide.

The surprise announcement from Secretary of Interior Ryan Zinke — who went to the trouble of flying to Tallahassee to stand beside Scott — outraged environmentalists and Democrats who insist the decision was a political ploy that unlawfully gave preferential treatment to Florida, a swing state that voted for Trump and that's home to his so-called "Winter White House" escape at Mar-a-Lago in Palm Beach.

Zinke made sure that the term-limited governor got all the credit. In response to a question about what was the final determining factor in his decision, Zinke said: "The governor."

"You have a tremendous governor that is straightforward, easy to work for, says exactly what he means. And I can tell you Florida is well-served," Zinke said.

Zinke's glowing endorsement of Scott has become de facto policy for Trump, who has tried for more than a year to woo Scott publicly and privately to run for U.S. Senate against Democratic incumbent Bill Nelson. The

veteran senator is one of the most vocal opponents of offshore oil-drilling in Florida, an issue that typically enjoys broad bipartisan support in a state whose economy depends heavily on tourism and development along 1,300 miles of coastline.

Scott used to be an exception to the blanket opposition to offshore oil drilling. In 2010, the then-political newcomer voiced more support for oil exploration, but the position became a political liability in the state after the Deepwater Horizon oil spill coated some Florida beaches with tar balls and damaged tourism in parts of the Gulf.

A 2016 University of South Florida-Nielson poll found that 47 percent of state residents see offshore drilling as a move in the "wrong direction," a distinction that makes it one of the most unpopular policy proposals in the state.

So when Zinke <u>announced</u> last Thursday that the administration wanted to open vast new stretches of federal waters to oil and gas drilling, opposition was united in Florida — from liberal environmentalists to conservative lawmakers and even Scott, who issued a rare <u>public denunciation</u> of the policy.

At the time, Democrats and Nelson supporters highlighted the unpopular policy announcement by a president who's flagging in the polls. Nelson's campaign began fundraising off of the initial announcement to expand oil exploration.

One Republican insider, however, told POLITICO shortly after the initial announcement that the administration would scale the plan back somewhat to give Scott a political boost that would "be a big win, and it won't be Bill Nelson bringing it home."

As late as Tuesday, Nelson was still fundraising off the drilling announcement. "President Trump is about to hand a huge victory to the oil industry and put Florida's entire economy at risk," Nelson's campaign wrote. "He just announced plans to rollback offshore drilling regulations that were put in place after the 2010 Deepwater Horizon disaster, and open up nearly all federal waters to offshore oil drilling — including the eastern Gulf of Mexico."

But just before that email solicitation was sent out, Zinke was unexpectedly standing in Tallahassee's regional airport with Scott announcing the reversal to the Florida capital press corps.

Nelson said he was incredulous.

"I have spent my entire life fighting to keep oil rigs away from our coasts. But now, suddenly, Secretary Zinke announces plans to drill off Florida's coast and four days later agrees to 'take Florida off the table'? I don't believe it," Nelson said in a written statement. "This is a political stunt orchestrated by the Trump administration to help Rick Scott, who has wanted to drill off Florida's coast his entire career. We shouldn't be playing politics with the future of Florida."

Similarly, the Sierra Club of Florida said the decision was "a purely political move to aid the ambitions of Rick Scott." And the League of Conservation Voters called it a "publicity stunt."

Scott's spokesman, Jonathan Tupps, said oil-drilling opponents should not be upset.

"Senator Nelson and anyone else who opposes oil drilling off of Florida's coast should be happy that the governor was able to secure this commitment," he said. "This isn't about politics. This is good policy for Florida."

Tupps said that, contrary to claims by Scott's opponents, the governor and staff have frequently discussed Florida's opposition to more offshore oil drilling with the Interior Department. Scott personally raised the issue with Zinke in an October meeting in Washington, Tupps said.

Why Zinke suddenly reversed months of planning four days after announcing the new oil and gas exploration policy are unclear. Zinke also made his announcement via Twitter after a brief question-and-answer session with reporters in Tallahassee.

In reversing the policy for Florida, however, Zinke may have have run afoul of the Administrative Procedure Act, critics said. That could give ammunition to California and Atlantic Coast states wanting to get on the same no-drill list -- the opposite of what President Donald Trump intended when he directed Zinke to expand oil companies' access to federal waters to boost U.S. energy production.

The American Petroleum Institute President Jack Gerard earlier in the day had applauded the Trump administration's plan to make all available federal waters available for drilling, saying "It represents a bold acknowledgement of the industry's advancements in technology to safely access U.S. energy resources."

Almost immediately after Zinke's announcement, lawmakers from other states took to Twitter to raise the specter of lawsuits, which could lead to courtroom entanglements for Interior's offshore drilling plan. The proposal was supposed to go into effect in 2019 and offer acres off the coast of Florida in late 2022 when a drilling moratorium officially ends.

"Under the Administrative Procedure Act, an agency can't act in an arbitrary and capricious manner. In this case, exempting Florida but not California (which has an even larger coastal economy) is arbitrary and capricious," Rep. Ted Lieu, a California Democrat and attorney, told POLITICO.

"So the agency would either have to not exempt Florida, or in the alternative, exempt Florida, California and any other state that can show the coasts are important to the state's tourism and economy."

California Attorney General Xavier Becerra also hammered that point on Twitter, echoing Scott's argument against drilling off the Florida coast to say "California is also 'unique" & our 'coasts are heavily reliant on tourism as an economic driver.' Our 'local and state voice' is firmly opposed to any and all offshore drilling. If that's your standard, we, too, should be removed from your list. Immediately."

In Virginia, U.S. Sen. Tim Kaine took a more low key approach. "Virginia's governor (and governor-elect) have made this same request [as Florida], but we have not received the same commitment. Wonder why..." he tweeted.

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#### Back

Grassley: Oil, ethanol industries must find RFS compromise Back

By Eric Wolff | 01/09/2018 11:38 AM EDT

Sen. <u>Chuck Grassley</u> said Tuesday that negotiations have stalled between corn- and oil-state senators over the federal ethanol mandate and they have decided to let representatives of the biofuels and refining industries take the lead on finding a compromise.

Grassley and his fellow Iowa Republican <u>Joni Ernst</u> met in December with <u>Ted Cruz</u> (R-Texas), but they were unable to sort through their differences on the Renewable Fuel Standard, Grassley told reporters Tuesday.

The impasse may further delay the confirmation of Iowa Agriculture Secretary Bill Northey to a senior post in the Trump administration. Grassley's grandson is in line to take over Northey's job in Iowa once he is confirmed to USDA. But Cruz has placed a hold on Northey's nomination as he tries to secure changes to the RFS that would lower costs for oil refiners.

Earlier in December, Cruz proposed capping biofuel credits, called renewable identification numbers, at 10 cents, while funneling revenues from the program to infrastructure. The ethanol industry rejected that proposal, and Grassley has led the charge against it.

"The industry tells us that such a cap on RINs would be just catastrophic to ethanol, and I can't go beyond that," Grassley said. "There's a pretty unanimous feeling among ethanol industry that that would be just a no-go. Sen. Ernst and I expressed that to Cruz."

Ethanol groups roundly condemned Cruz's proposal, and they have been uninterested in making sweeping changes to the program.

The Renewable Fuels Association said in a statement that it "strongly opposes RFS reform of any type. The program is working as intended."

An independent refining source told POLITICO that the collapse in talks between Cruz and Grassley puts the focus on an RFS bill under development by Senate Majority Whip <u>John Cornyn</u> (R-Texas), Environment and Public Works Chairman <u>John Barrasso</u> (R-Wyo.) and <u>Jim Inhofe</u> (R-Okla.).

"I believe focus on anything RFS-oriented has now shifted to what Sens. Cornyn, Inhofe and Barrasso are working on and that whatever that is will be an honest, good-faith attempt to identify a middle ground between the warring factions in the RFS mess," the source said.

Grassley said Cruz's hold on Northey will have to be dealt with separately from the RFS, but he did not specify how.

The Trump administration has generally sided with biofuel producers over independent refiners in battles over the RFS. EPA rejected a request from some independent refiners to shift the law's "point of obligation," and while the agency set targets for this year's blending requirements lower than some biofuel producers wanted, it left untouched the 15 billion-gallon ethanol requirement. The 2019 volume rule is expected to be proposed sometime this summer.

Grassley said the refining industry and the ethanol industry need to find common ground, but the two sides have struggled to see eye to eye in the past.

"There seems to be some lack of communication on [the] impact these various proposals would have on both refining and on the ethanol industry," Grassley said. "That we have asked the two segments to sit down and talk and get some understanding of each other's position on the next step. I don't know how far that's going along."

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#### House GOP mulls lifting a ban on earmarks Back

By Sarah Ferris | 01/09/2018 12:54 PM EDT

House Republicans are wading into an election-year fight over pork-barrel spending.

Republicans on the House Rules Committee plan to revive a debate over earmarks in hearings launching next week, even as members of their own party blast the banned practice as a symbol of the Washington swamp.

Rules Chairman Pete Sessions (R-Texas) has assured members that the hearings are not intended to rush into a new policy. The committee will hold its first hearing on Jan. 18 for members, and another on Jan. 19 to bring in outside groups, according to a source familiar with the plans.

"There's really an interest in both parties to reclaim these powers back to Congress," Rep. Tom Cole (R-Okla.), an appropriator who sits on the Rules Committee, said Monday. "There were clearly problems with the old system. Someone went to jail. There's a case to be made against them, but I think in the end, the case for them is more powerful."

Meanwhile, President Donald Trump told lawmakers at a meeting Tuesday that Congress could benefit from a return to earmarks. "I hear so much about earmarks and how there was a great friendliness when you had earmarks," Trump said of the system of congressional directives for spending on specific projects. "Of course they had other problems, but maybe all of you should start thinking about going back to a form of earmarks."

Former Speaker John Boehner of Ohio led the effort to ban earmarks when Republicans took the House in 2010. The practice of designating money for pet projects back home had ballooned in the 1990s and early 2000s but problems spread. Disgraced Rep. Duke Cunningham of California was sentenced to more than eight years in federal prison for taking \$2.4 million worth of bribes for earmarks, for example.

Cole, one of the few House Republicans who has lived through the earmarks era, said lawmakers have already come up with changes that prevent waste or misuse of spending, so that lawmakers can no longer "airdrop" a special program into a spending bill. That includes requiring members' names on each requested provision.

Earmarks were eliminated after a series of infamous projects — like Alaska's "Bridge to Nowhere" — drew scorn from both parties. But since then, some members of both parties have quietly asked House leadership to restore them, arguing that Congress has lost some of its spending power to the executive branch.

Some House members, particularly those who write spending bills, argue that banning earmarks had the undesired effect of ceding some of Congress' "power of the purse" to federal agencies.

They also argue that earmarks can be a powerful legislative tool to fight gridlock. For example, if members are allowed to make the case for special projects in their districts, those members are less likely to block spending bills.

Critics, including many fiscal conservatives, warn that an earmarks comeback could open the floodgates to more spending. House Freedom Caucus Chairman Mark Meadows (R-N.C.) dismissed the idea to reporters on Monday, predicting there would be "little appetite" for the debate.

Democrats are unlikely to back any push to bring back earmarks in an election year, even though some members privately would support it.

House Republicans last discussed ending the earmarks ban in fall 2016, though the new system would have maintained tight guidelines. That effort was abruptly <u>cut off</u>, however, as GOP leaders sought to avert what they feared could become a public relations nightmare for a party promising to "drain the swamp."

House Speaker Paul Ryan then asked the Rules Committee to take over the debate by holding public forums, instead of a secret ballot behind closed doors.

Ryan told reporters Tuesday that he wants members "to have conversations" about the idea, as well as other budget process changes.

Part of the push for the hearings is that members are frustrated that projects are stalling at the local level. For instance, Ryan said the Army Corps of Engineers, which is handling more local projects since the end of earmarks, has "not been up to snuff about getting its job done."

Proponents argue that earmarks have always comprised a small portion of federal spending, while allowing members to initiate new programs or projects in their own districts. Without them, lawmakers argue that federal agencies have taken over much of the decision-making in how federal dollars are spent locally.

Still, Cole said he's worried about the public's reaction.

"The case for them is overwhelming, but the political case against them plays right into the sentiment right now," he said.

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#### Back

#### Trump endorses earmarks as a path toward bipartisanship **Back**

By Aubree Eliza Weaver | 01/09/2018 02:05 PM EDT

Congress could benefit from returning to the days of earmarks, President Donald Trump told lawmakers at a bipartisan meeting on Tuesday.

"I hear so much about earmarks and how there was a great friendliness when you had earmarks," Trump said of the system of congressional directives for spending on specific projects. "Of course they had other problems, but maybe all of you should start thinking about going back to a form of earmarks."

Trump said that the current system produced hostility and anger, whereas "in the old days" lawmakers got along and met over dinner and legislation got passed.

"That was an earmark system and we should think about it and put better controls because it got out of hand," he said. "Maybe that brings people together. Our system the way it is set up will never bring people together."

Critics of earmarks say that tax money is better spent through federal agencies based on study and need, rather than allocated by elected officials for pet projects.

Trump's comments have already come under fire from Democrats.

"Huh? The President just embraced earmarks?" Sen. Claire McCaskill tweeted. "Talk about the swampiest of swamp creatures. You gotta be kidding me."

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#### Murray: DOE should force coal power plants to stay open Back

By Eric Wolff | 01/09/2018 04:06 PM EDT

Murray Energy chief Bob Murray called on the Trump administration Tuesday to use its emergency authority to keep coal-fired and nuclear power plants open after FERC <u>spiked</u> Energy Secretary Rick Perry's plan to prop up those generators.

Murray said FERC's decision would lead to a wave of coal and nuclear power plant closures unless DOE or President Donald Trump stepped in.

"I think it was the most important decision in my 60 years in the coal business and in the electric power business," he told POLITICO in an interview. "You're going to see electricity utilities apply to the PJM to close their nuclear and coal-fired power plants."

Murray praised Perry, who had prodded FERC to act quickly to shore up the struggling power plants, and said he should act on his own.

"Secretary of Energy Rick Perry, who has been very passionate and very bold and very discerning in seeing this issue here, could go to Section 202(c) of the Federal Power Act and stop additional plant closures until this thing is studied," Murray said.

It's not the first time that Murray has pressed the administration to use the emergency authority in the FPA. He lobbied Trump and Perry last summer to use that law to order power plants owned by the wholesale power subsidiary of Ohio utility FirstEnergy Corp. — and which burn Murray Energy coal — to keep operating if that business files for bankruptcy.

But the administration rejected that plea, citing a letter from Mid-Atlantic regional grid manager PJM to Ohio Gov. John Kasich saying it had plenty of power available, and there was no need to block the retirements of those FirstEnergy Solutions plants.

Murray has not been in contact with the administration since Monday's FERC announcement, and he would not comment on whether any new meetings were planned. Murray has met regularly with administration officials over the past year.

Typically, the FPA emergency authority is prompted by a request from a governor, public service commission or other public official with responsibility for the grid. And so far, no requests have been received, even during last week's "bomb cyclone" and frigid temperatures, which triggered three of the highest electricity demand days in PJM history.

"There have been no applications to use the authority," Deputy Energy Secretary Dan Brouillette told reporters Tuesday afternoon. "But if we see blackouts or if we have an event later this winter that requires the use of that authority, the secretary stands ready to use it."

On Monday, FERC's five commissioners unanimously rejected Perry's proposed rule — an alternative to using the emergency authority — which would have guaranteed payments to generators that keep 90 days of fuel on hand, a mandate that would have applied solely to coal and nuclear power plants. Murray and FirstEnergy had been strong advocates for the rule, which was opposed by most of the energy industry.

Murray slammed four of the five commissioners for opposing the rule, exempting only Neil Chatterjee, who, though he joined in FERC's unanimous decision, advocated for the rule and for an interim measure to immediately help coal and nuclear plants.

"He was out there supporting coal," Murray said. "I think the worst one of the bunch is Robert Powelson. His statements consistently have been, since his appointment, against the coal industry."

Less than a week after Perry's proposal was released, Powelson, a Republican, told an audience at a PJM event last fall that he did not come to the commission to destroy markets that FERC oversees and wouldn't support any rule that did so.

Murray also criticized FERC's Republican chairman, Kevin McIntyre, for "defaulting on his first big decision," and he castigated Democrats Cheryl LaFleur and Richard Glick as "against coal from the beginning." All of the current commissioners were appointed by Trump except LaFleur, whom Trump made acting chairwoman before Chatterjee temporarily took the gavel.

Murray declined to speculate on the prospects of the decision for his own business. In letters to Trump and Perry over the summer, he said that without use of the Federal Power Act to save power plants owned by the merchant division of FirstEnergy Corp., he was likely to have to lay off most of his workforce, though he later walked those comments back.

"I ran models one way, the other way," he said. "If they do apply to close plants, it's certainly not going to be good for Murray Energy Corp."

Darius Dixon contributed to this report.

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#### **Back**

Sources: EPA moving quickly to write new climate rule in 2018 Back

By Emily Holden | 01/05/2018 01:56 PM EDT

EPA staffers are under orders from the Trump administration to complete a replacement for former President Barack Obama's major climate change rule by the end of the year, far faster than the normal pace the agency uses to develop major regulations, according to three sources familiar with the process.

That short timeframe would enable EPA lawyers the chance to defend the regulation from the legal challenges it is certain to face during President Donald Trump's current term. That would allow the proposal from Scott

Pruitt's EPA to avoid the fate of the Obama EPA's Clean Power Plan, which was held up in court and is now being rescinded by a new administration that opposed the original carbon dioxide regulation.

EPA's air chief, Bill Wehrum, has directed staffers to develop a schedule for conducting analysis, public hearings and revisions that would be completed in 2018. Staff would need to complete a proposal by summer and allow time for the White House to review it before publication.

The tight timeline would mean that the agency would have to repeal and replace the Obama power-sector climate rule simultaneously but in separate processes. EPA would also have to finish revising a separate carbon rule for future fossil fuel plants, which must be in place in order to regulate existing generators.

Jeff Holmstead, a partner at the law firm Bracewell who ran EPA's air office under former President George W. Bush, called the timeframe "ambitious but not impossible."

"It certainly gives them time to defend before the D.C. Circuit," he said, though if the legal stretches to the Supreme Court, they might not be resolved before the end of Trump's term.

The quick process underway is certain to draw scrutiny from environmental advocates who are gearing up for lawsuits against the changes.

"The Clean Power Plan would cut carbon pollution a third. A weak replacement that gets a percent or two in reductions won't be a serious response to climate change and won't meet Clean Air Act requirements. Americans — who depend on EPA to protect their health and climate — deserve a real solution, not a scam," said David Doniger, climate director for the Natural Resources Defense Council.

Pruitt in recent weeks stopped suggesting that the agency might choose not replace the Clean Power Plan. Pruitt, who has questioned man-made emissions' role in climate change, has been lobbied by some conservative groups such as The Heartland Institute and Competitive Enterprise Institute to forego a replacement and instead challenge the science-based endangerment finding that requires EPA to act to limit globe-warming emissions from power plants. Power companies, however, have pressed Pruitt to develop a replacement in order to give them some regulatory certainty and potentially head off any move by a future administration to write tougher standards.

The effort to create a replacement rule signals that EPA is siding with the industry stakeholders who want a rule written under this administration. But Pruitt could still conduct the "red team-blue team" debate over climate change science that he has promised to examine the scientific conclusions that humans are a dominant cause of climate change. That process could happen outside the regulatory and legal world, but it could be the foundation for a challenge to the endangerment finding. EPA would have a hard time fighting the finding after writing the rule precipitated by it, according to multiple conservative lawyers.

EPA's new rule is set to focus on coal plants alone, according to sources and options outlined in a recent notice. The Obama EPA's Clean Power Plan had set targets for states to shift away from coal and toward natural gas and renewable power, a strategy that Pruitt, as Oklahoma attorney general, joined other Republican states to argue was illegal.

Obama's rule aimed to cut carbon levels 32 percent below 2005 levels by 2030. Trump's rule, which is likely to consider only efficiency upgrades that coal plants could make, would curb emissions far less. Some power sector experts have speculated that electricity generators might run their coal plants more if they were forced operate more efficiently and become more competitive in the power markets. That could in turn lead to higher emissions.

Wehrum told E&E News earlier this week that EPA was still considering not writing a replacement rule. But several sources told POLITICO that Wehrum has been working rapidly since joining EPA in mid-November to sketch out a plan for crafting a new rule.

The agency has issued a proposal to withdraw the Clean Power Plan and an advance notice of proposed rulemaking to replace the regulation. Comments on the withdrawal are due Jan. 16, but EPA is set to push back that deadline while it hosts three more public hearings that have not yet been scheduled. Comments on the ANPR are due Feb. 26.

Under a new version of the rule, EPA will have to determine whether to set a common efficiency standard for the coal fleet or write guidance for states to set their own standards for individual plants based on age and technology. Letting states set standards would align with Pruitt's push to give states more autonomy, but each individual plan would be subject to lawsuits at the state level and could linger in the judicial system for years.

EPA did not respond to a request for comment.

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#### **Back**

EIA: Coal production to dip, oil to surpass 1970 record this year Back

By Emily Holden | 01/09/2018 03:57 PM EDT

U.S. coal production is expected to drop for the next two years, while oil sets new records, according to the Energy Information Administration's latest short-term <u>outlook</u>, the first to include projections for 2019.

Domestic coal production was up 6 percent last year in response to high demand for exports, but EIA says that trend will reverse. U.S. production is projected to fall 2 percent this year and 2 percent next year as natural gas prices stay low, EIA says. Appalachia is expected to see the biggest dip in 2018, declining 25 million short tons.

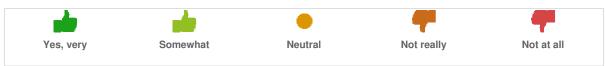
Oil production is on track to hit an all-time high this year of an average 10.3 million barrels per day, surpassing a record set in 1970, EIA said. Natural gas production could also see its biggest year-over-year increase, with exports rising to 3 billion cubic feet per day, up from 1.9 billion cubic feet per day in 2017 as new infrastructure projects come online.

For the grid, EIA predicts coal's share of electricity generation will shrink slightly to below 30 percent this year, as more power, 33 percent, comes from natural gas. In 2019, wind generation will overtake hydropower as the leading source of renewable power, EIA estimates.

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#### **Back**

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# **POLITICO**PRO

This email was sent to shaylyn.hynes@hq.doe.gov by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

From: Brouillette, Dan

Sent: Wednesday, March 21, 2018 7:27 AM

To: Hynes, Shaylyn;Colgary, James;Wilmot, Dan;McCormack, Brian;Robertson (Trummell),

Candice; Loraine, Jennifer A.; Burnison, Melissa

Subject: RE: March 21, 2018 Daily News Briefing for DOE

Thanks, Shaylyn. Good outcome.

From: Hynes, Shaylyn < Shaylyn. Hynes@hq.doe.gov>

Date: Wednesday, Mar 21, 2018, 7:07 AM

**To:** Brouillette, Dan <<u>Dan.Brouillette@hq.doe.gov</u>>, Colgary, James <<u>James.Colgary@hq.doe.gov</u>>, Wilmot, Dan <<u>Dan.Wilmot@hq.doe.gov</u>>, McCormack, Brian <<u>Brian.Mccormack@hq.doe.gov</u>>, Robertson (Trummell), Candice <<u>Candice.Robertson@HQ.DOE.Gov</u>>, Loraine, Jennifer A. <<u>Jennifer.Loraine@hq.doe.gov</u>>, Burnison, Melissa

<Melissa.Burnison@hq.doe.gov>

Subject: FW: March 21, 2018 Daily News Briefing for DOE

See Tri city herald article. (7)

From: Media Analyst (General) < mediaanalyst@barbaricum.com>

Date: Wednesday, Mar 21, 2018, 5:47 AM

To: doe <doe@barbaricum.com>

Subject: March 21, 2018 Daily News Briefing for DOE

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- 2. Sec. Perry's free market energy strategy
- 3. Sec. Perry boasts new cybersecurity office can handle Russian targeting of U.S. grid
- 4. GOP senators tell Sec. Perry to back off cuts to energy research
- 5. Sec. Perry defends research program that POTUS wants to eliminate
- 6. Northwest senators question Sec. Perry on Hanford, proposed budget cuts
- 7. Hanford Vit plant leader says he's not a whistleblower despite U.S. senator's suspicion
- 8. Sec. Perry grilled over request for funds to revive Yucca Mountain
- 9. Sec. Perry: Micro-grids, small reactors may be power options in rural Alaska
- 10. "I'm not going anywhere:" Sec. Perry again dismisses rumor that POTUS is moving him to VA
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- 12. A Mideast nuclear deal POTUS might actually like

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- 48. U.S. training for arctic nuclear satellite disaster amid Russian weapons developments
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#### **Washington Schedule**

### **DOE News**

## 1. Sec. Perry suspends policy of selling excess uranium

Washington Examiner (Siegel) reported that Sec. Perry said Tuesday "he will suspend the Energy Department's practice of selling excess uranium for the rest of the fiscal year, after a key Republican blocked the nomination of an agency nominee." The article indicated that to protest the DOE policy, Sen. John Barrasso (R-WY) "had placed a hold on a key Energy Department nominee who would lead the agency's environmental office," which "has prevented the Senate from confirming Anne White, President Trump's nominee to be assistant secretary for environmental management." According to the article, following Sec. Perry's announcement Tuesday at a Senate Energy and Natural Resources Committee hearing, a spokesman for Sen. Barrasso, said that the senator "did not have any announcements" on "whether to lift the hold on White's nomination or if he seeking an extension of a suspension of uranium transfers beyond this fiscal year."

## 2. Sec. Perry's free market energy strategy

<u>Washington Examiner</u> (Siciliano) reported that Sec. Perry "is focused on an 'all-of-the-above' energy strategy as he moves into his second year as head of the Energy Department." The article indicated that "he tells the Washington Examiner in an exclusive interview that the Trump administration is not only

focused on fossil fuels, but also wants to support a global market for U.S.-made solar and renewable energy technologies." According to the article, Sec. Perry "is also working with the White House on rolling out an energy strategy for Appalachia this year, which will look to build out the petrochemical capacity of coal country, which is now at the center of the shale natural gas boom." He is also pushing ahead on the national security front, the article continued, by "ramping up a new cybersecurity office at the Energy Department to be the lead agency in helping the energy industry respond to cyber attacks," and is "heading up a robust agenda to modernize the nation's nuclear weapons arsenal, which is a central part of the president's fiscal 2019 budget and Nuclear Posture Review."

3. Sec. Perry boasts new cybersecurity office can handle Russian targeting of U.S. grid Washington Examiner (Siegel) reported that Sec. Perry "told senators Tuesday a new cybersecurity office he plans to create will be sufficient to respond to Russia's targeting of the U.S. power grid, as Democrats argued that action is not aggressive enough." According to the article, Sec. Perry said in testimony before the Senate Energy and Natural Resources Committee that "the formation of this office better positions the department to address emerging threats and natural disasters and support the department's expanded national security responsibilities." The article noted that the Office of Cybersecurity, Energy Security and Emergency Response, "announced in February, would establish the Energy Department as the lead agency in responding to cyberattacks." Sec. Perry, the article indicated, "also said the Energy Department is currently doing a cyber assessment, although he didn't say if it applies specifically to Russia," adding that DOE has "three different areas (...) focused on cyber, and have been meeting and having these conversations before." Washington Times (Wolfgang) reported that "while senators of both parties urged Mr. Perry to work closely with the FBI, Homeland Security, and other agencies responsible for responding to cyberattacks, Mr. Perry said his department can and will take the lead." According to the article, Sec. Perry stated that "the Department of Energy — we are the sector-specific agency that partners with the energy sector to ensure infrastructure security and resilience, and coordinate response and recovery."

## 4. GOP senators tell Sec. Perry to back off cuts to energy research

Houston Chronicle reported that Republican opposition "is rising against Energy Secretary Rick Perry's plans to slash his department's research budget for energy." The article indicated that "during a hearing before the Senate Tuesday, Sen. Lisa Murkowski, R-Alaska, chair of the Senate Energy and Natural Resources Committee, said Perry and the Trump administration had gone too far in their bid to cut the federal budget," stating that "while we should always be looking for places to cut the budget, we should also recognize that innovation is critical to our nation's energy future." KPVI (Richards) reported that Sen. John Barrasso (R-WY) "criticized an 80 percent cut to coal research and development proposed by the Trump Administration in a Tuesday hearing with Energy Secretary Rick Perry." According to the article, the Wyoming senator "noted that cleaner ways to burn coal, as well as the development of new uses for the fossil fuel, are critical for the environment and the nation's energy sector."

## 5. Sec. Perry defends research program that POTUS wants to eliminate

<u>Dallas News</u> (Benning) reported that Sec. Perry "has kept a lower profile than some of his Cabinet counterparts, save for a failed attempt to boost the coal industry in the name of energy grid resilience," and that he "has touted a vision for a 'new energy realism,' earning plaudits from Trump for his efforts." The article pointed out that Sec. Perry's "continued leadership of the Energy Department, however, will mean confronting various funding flaps that have put the White House and Congress at odds,"

highlighting that ARPA-E "is far from alone in that category," and that "battery storage, solar panels and carbon capture are just a few examples." But, the article noted, Sec. Perry "has become an increasingly vocal advocate for ARPA-E," and "not a moment too soon for lawmakers on both sides of the aisle." According to the article, the Texan "has done more than just defer," and "last week appeared in a video that played at a major ARPA-E summit in Washington," in which "he touted the 'power of innovation that's on display,' describing the event as a 'window into our future and the product of some of the very best and brightest in America."

## 6. Northwest senators question Sec. Perry on Hanford, proposed budget cuts

KUOW (King) reported that Northwest Senators "had a lot of questions for U.S. Energy Secretary Rick Perry during a Senate committee hearing Tuesday morning," and "grilled him on the safety of steel in a massive treatment plant under construction at the Hanford nuclear site." The article indicated that, "as the ranking member of the U.S. Senate Committee on Energy and Natural Resources, Sen. Maria Cantwell said she wants the secretary to put money back in the budget for more research at national labs, and more money for cleanup at Hanford." According to the article, during the hearing Sec. Perry said "he's requesting a nearly 10 percent increase to the nation's 'nuclear deterrence' program," and that "he's also asking for more money to clean up legacy wastes left at DOE sites across the country." Later in the hearing, the article noted, Sen. Ron Wyden (D-OR) said he has "serious concerns with the Waste Treatment Plant," where "a top Department of Energy manager at Hanford recently penned a strongly-worded letter that said the quality of the steel used in the factory has not been properly documented." The article added that this manager "was recently transferred out of his job overseeing the plant," and Sen. Wyden "said he wants to talk with him without interference or consequences," to which Sec. Perry agreed.

7. Hanford Vit plant leader says he's not a whistleblower despite U.S. senator's suspicion Tri-City Herald (Cary) reported that "speculation that a key leader of Hanford's vitrification plant was transferred because he blew the whistle on the project is just wrong." According to the article, William "Bill" Hamel was the DOE project director for the vit plant "until this week when he started work on another Hanford job," and "he said he was caught by surprise Tuesday by a news release from the office of Sen. Ron Wyden, D-Ore., questioning whether Hamel was transferred because he raised concerns," saying that the senator's news release "really doesn't represent" his views.

## 8. Sec. Perry grilled over request for funds to revive Yucca Mountain

Las Vegas Review-Journal (Martin) reported that Sec Perry "laid out his department's \$30 billion budget that includes \$120 million to revive licensing of the Yucca Mountain nuclear waste repository plus implement interim storage at other sites," stating that "we must move ahead in fulfilling the federal government's responsibility to dispose of the nation's nuclear waste." According to the article, the secretary said "interim and permanent sites were immediately needed to accept wastes generated at 39 nuclear-power plants across the country." The article indicated that the fact that "transparency in the Department of Energy's spending of carryover funds since the Yucca Mountain licensing process was suspended in 2011 drew questions from Sen. Catherine Cortez Masto, D-Nev., a member of the committee," who "wants a full accounting of the \$42 million that was left in federal accounts since the process ended, and a recent estimate that only \$10 million was available to spend on the process," and asked Sec. Perry "to provide an accounting in two weeks."

#### 9. Sec. Perry: Micro-grids, small reactors may be power options in rural Alaska

KTUU (Bolton) reported that in a Senate Energy hearing Tuesday, Alaska Sen. Lisa Murkowski (R-AK) "asked Energy Secretary Rick Perry to ensure that Alaska's Arctic communities aren't cut from the national budget next year." According to the article, Sec. Perry told Sen. Murkowski in the oversight hearing that "transmission systems in the Lower 48 just won't work in a state as thinly populated as Alaska," adding that the secretary said "micro-grids and small modular reactors could be options for powering rural Alaska, though he didn't specifically say how much money was budgeted for the Arctic."

# 10. "I'm not going anywhere:" Sec. Perry again dismisses rumor that POTUS is moving him to VA

<u>Dallas News</u> (Benning) reported that Sec. Perry on Tuesday "again dismissed rumors that he could soon be switching jobs to run the Veterans Affairs Department, telling lawmakers that he's 'not going anywhere," during a hearing at the Senate Energy and Natural Resources Committee. The article added that Sen. Maria Cantwell (D-WA), "the panel's top Democrat, told Perry that 'I trust you're not going over to Veterans Affairs," noting that "she even joked that any energy chief should be in the position for life or until the DOE Hanford site in her state is cleaned up."

#### 11. Nuclear tops energy list as POTUS meets with Saudi crown prince

Washington Examiner (Siciliano) reported that "U.S.-Saudi collaboration on developing a nuclear energy program will be a top issue when Saudi Crown Prince Mohammed bin Salman visits the White House this week." According to the article, U.S. help in developing a Saudi civil nuclear program "will be discussed with a long list of regional security concerns, including the disruptive influence of Iran in the region," but "critics of the Trump administration's encouragement of nuclear power in Saudi Arabia say it runs the risk of nuclear weapons proliferation in the Persian Gulf." The article pointed out that "it appears that any discussion on nuclear energy cooperation may have to be met by a discussion on the threat posed by Iran's and Saudi Arabia's ambitions to develop a nuclear weapon." Newsweek (Maza) reported that President Donald Trump "met with Saudi Crown Prince Mohammad bin Salman in the oval office on Tuesday, as he touted the strong relationship between the U.S. and Saudi Arabia and plans to sell military equipment to the Kingdom." According to the article, "Vice President Pence, Energy Secretary Rick Perry, National Security Adviser H.R. McMaster, outgoing White House economic adviser Gary Cohn, the president's son-in-law and adviser Jared Kushner and White House Chief of Staff John Kelly all attended the meeting."

## 12. A Mideast nuclear deal POTUS might actually like

The Atlantic (Calamur) reported that the POTUS- Mohammad bin Salman meeting Tuesday left the nuclear question unanswered. According to the article, the U.S. "wants to sell Saudi Arabia the reactors it needs for its internal energy requirements, but the Saudis also want to retain the ability to enrich their own uranium and reprocess the spent fuel from the reactor—both of which would give them the ability to produce nuclear weapons at some point." U.S. lawmakers, the article noted, "are wary of the Saudi demands." The article indicated that last month, "Energy Secretary Rick Perry met with Saudi officials in London, but no announcement was made about whether the impasse was resolved," and the fact there has been "little publicly said about a nuclear deal could suggest that Saudi demands remain a sticking point."

#### 13. DOE bailout plan bad news for taxpayers

<u>Virginia Gazette</u> (Williams) stated that "an independent government agency saved Americans from a massive de facto tax hike." According to the article, Sec. Perry "had proposed a multibillion-dollar bailout of failing coal and nuclear power plants," and he wanted to give these plants "taxpayer-funded subsidies to keep them afloat." "Luckily," the article continued, FERC "made the right call and quashed the plan." The article pointed out that "extending a financial lifeline to failing coal and nuclear plants wouldn't have been cheap," and "would have cost taxpayers \$10.6 billion a year."

# **Electricity Delivery and Energy Reliability**

#### 14. Storms strike college, leave trail of damage across South

AP (Anderson, Reeves) reported that the storm "threatened millions of people across the Deep South, prompting tornado warnings Monday in Mississippi, Alabama and Georgia." According to the article, the area "around Jacksonville State University in Alabama was among the hardest hit and thousands of buildings and vehicles were battered by large hail after the night of violent weather," and Alabama Power Co. said "more than 9,000 homes and businesses were without electricity."

## **Energy Efficiency and Renewable Energy**

#### 15. Utilities ask Congress to keep electric vehicle tax incentive

Daily Energy Insider (Yingling) reported that "utilities on March 13 sent a letter to Congress, siding with the automakers to maintain the tax credit." According to the article, the utilities' efforts "occur at a time when growth in electric sales is sluggish and electric companies see a possible opportunity to apply the latest battery technology to help serve their customers." The incentive is powerful, the article pointed out, "especially for vehicles that sell at a premium above their gasoline-powered counterparts." The article indicated that industry leaders "fear that if the financial incentive is phased out, electric vehicle sales could slow the industry's growth just as it is gaining momentum." The group of 36 utilities who signed onto the letter, the article added, "included some of the biggest names in the industry including Eversource Energy, American Electric Power, Florida Power & Light, Pacific Gas & Electric, Southern Company and the Edison Electric Institute, which represents the nations shareholder owned electric utilities."

#### 16. U.S. solar companies are having their best day in weeks

Bloomberg Markets (Polson) reported that U.S. solar stocks "enjoyed their best day in almost a month, with the rooftop installer Vivint Solar Inc. climbing the most since June." According to the article, the reasons for the rally are "debatable," but some potential factors might have been: "Optimism that some U.S. companies will win exemptions from import tariffs;" the "possibility of lower tariffs would mean lower panel prices;" a "strong sales forecast from Canadian Solar Inc.," which said Monday that revenue this quarter "may double from a year ago;" and international demand as Canadian Solar "also stressed sales in Latin America, Australia and the Middle East, indicating that trade barriers in the U.S. may be offset by increased revenue elsewhere."

# 17. Inverter capacity plays role in panel capacity as well, according to EIA

<u>Daily Energy Insider</u> (Galford) reported that "a report from the U.S. Energy Information Administration (EIA) has found that solar plants are following what is known as the inverter loading

ratio (ILR) and are installing more panel capacity based on their inverter capacity." As of 2016, the article added, "the EIA reports that smaller plants had only an average ILR of 1.17, while larger plants reached 1.30, and as solar plants increase in size, their ILRs are going up with them."

#### 18. Ypsi seeks to expand access to solar power through DOE challenge

Second Wave Media (Kelly) reported that Ypsilanti "already produces an impressive 50 watts of solar power per capita, and it's aiming to continue demonstrating national leadership as it vies for U.S. Department of Energy (DOE) funding to expand renewable energy in the city." According to the article, the city is "participating in the SunShot Prize: Solar in Your Community Challenge, a \$5 million DOE competition aiming to make solar electricity more accessible to low- and moderate-income households, as well as municipalities and nonprofit organizations." The article added that "about 170 teams across the U.S. are participating in the challenge by installing photovoltaic (PV) systems that collectively produce between 25 and 5,000 kilowatts."

# **Fossil Energy**

## 19. Oil edges up on Middle East tensions, but soaring U.S. output still weighs

Reuters (Gloystein) reported that oil prices "edged up on Wednesday, lifted by tensions in the Middle East and healthy demand, although rising U.S. output continued to weigh on markets." According to the article, U.S. West Texas Intermediate (WTI) crude futures CLc1 "were at \$63.69 a barrel at 0744 GMT, up 15 cents, or 0.2 percent, from their previous close," and Brent crude futures LCOc1 "were at \$67.56 per barrel, up 14 cents, or 0.2 percent."

## 20. Saudi Prince Mohammed tells POTUS he sees "stable" oil market

<u>Bloomberg Politics</u> (Olorunnipa) reported that Saudi Arabian Crown Prince Mohammed bin Salman said he sees a "stable" oil market ahead, adding that the kingdom "has an 84-year supply of crude."

## 21. Energy and Commerce Committee highlights increasing U.S. crude oil exports

<u>Daily Energy Insider</u> (Randolph) reported that the Energy and Commerce Committee (E&C) "recently highlighted the United States' growing crude oil export levels following the elimination of their ban as part of the 2015 year-end budget deal." According to the article, "a recent U.S. Energy Information Administration (EIA) report noted that crude oil exports in 2017 were almost twice as high as in 2016 and that destinations for crude oil exports increase to 37 in 2017 from 27 in 2016." In 2017, the article added, the United States "exported approximately 1.1 million barrels per day (b/d) of crude oil in 2017, according to the EIA."

# 22. EIA: Texas, North Dakota, and the Gulf of Mexico account for two-thirds of US crude oil production

Green Car Congress reported that "in 2017, the US produced a total of 9.3 million barrels of crude oil per day (mmbd) from state and federal offshore operations." The article indicated that Texas "produced the most petroleum by far at 3.5 mmbd followed by federal offshore operations in the Gulf of Mexico with 1.6 mmbd, according to figures from the US Department of Energy (DOE)." Altogether, the article added, "crude oil production in Texas, North Dakota and the federal offshore area in the Gulf of Mexico accounted for two-thirds of all US crude oil production."

#### 23. Susan Dio named BP America chairwoman and CEO

<u>Houston Chronicle</u> (Blum) reported that BP "has a new U.S. leader with Susan Dio named Tuesday as the chairwoman and president of BP America." The article indicated that Ms. Dio, "who previously headed BP Shipping, will lead the British oil company's U.S. operations now that former BP America President John Mingé is stepping down to lead a study for the National Petroleum Council that advises U.S. Energy Secretary Rick Perry."

#### 24. America's record-breaking natural gas export boom

Axios (Harder) reported that the increase, highlighted by the U.S. Energy Information Administration Monday, "is a product of the fracking boom over the last decade that has made America the world's largest producer of natural gas." According to the article, "its prices have fallen, sparking a boon for everyone from industrial giants to households that depend on natural gas for electricity, heating and other processes." The article pointed out that the export growth "mirrors that of American oil, which was made possible when Congress lifted a 40-year-old ban on crude exports."

#### 25. Fourchon LNG receives DOE export authorization

<u>LNG Industry</u> (Owen) reported that DOE "has issued an order authorising Fourchon LNG LLC to export up to 260 billion ft<sup>3</sup> per year of LNG by vessel from its proposed liquefaction facility to be located on Port Fourchon at Belle Pass in Lafourche Parish, La."

#### 26. Freeport LNG applies for DOE export authorization for Train 4 project

<u>Hydrocarbon Engineering</u> (Woodroof) reported that Freeport LNG Expansion, L.P. and FLNG Liquefaction 4, LLC "have filed an application with the US Department of Energy (DOE) for authorisation to export 262.8 billion ft<sup>3</sup> of LNG over 20 years to countries with and without a Free Trade Agreement with the US in connection with the proposed Train 4 project."

## 27. Complaints about falsified pipeline endorsements draw no response

<u>Wall Street Journal</u> (Grimaldi) reported that "dozens of people haven't heard back from U.S. regulators nearly two years after their names were falsely used in letters supporting approval of a gas pipeline from Ohio to Canada, lawyers for the complainants said." According to the article, "an energy-lobbying group that was backing the pipeline, which hasn't been built, generated the comments falsely attributed to the Ohio residents—and later said it had happened inadvertently."

## 28. The lithium sector surge is poised to ignite a bonanza for deals

<u>Bloomberg Technology</u> (Stringer, Farchy, Tse) reported that the "tripling in lithium prices over three years is poised to fuel a multi-billion dollar rush of deals as major players jostle for dominance to supply the metal needed for the electric vehicle battery revolution." According to the article, China's "expected to lead a mergers and acquisition bonanza as companies seek to wrest more control of the market from Western rivals." Philadelphia-based FMC Corp., the article added, "is planning to spin off its lithium business, a top five producer of the metal, in the third quarter of this year in a deal the company has said could value the unit at \$3 billion."

# **Nuclear Energy**

## 29. School of Nuclear Engineering, DOE host Millennial Nuclear Caucus

<u>Purdue University</u> announced that Purdue University School of Nuclear Engineering students are "hosting a Millennial Nuclear Caucus in conjunction with the U.S. Department of Energy's Office of

Nuclear Energy." The article indicated that "with millennials in a unique position to shape the future of the nuclear field, members of the U.S. Department of Energy, along with nuclear industry leaders from Exelon Nuclear, NuScale Power and Clearpath Foundation, will discuss the state of nuclear energy and potential future developments."

## 30. Top federal regulator says nuclear energy problems "geographic," not nationwide

Washington Examiner (Siciliano) reported that "nuclear power plant closures and strain facing the industry are a 'geographic' problem, not a national one, the head of the federal nuclear energy regulator said Tuesday." According to the article, Kristine Svinicki, the chairwoman of the Nuclear Regulatory Commission, testifying before the House Energy and Commerce Committee on its fiscal 2019 budget request, said that "some of the units in the regions they operate in are operating at kind of breath-taking losses, and are not economic," but that the "situation that is causing nuclear power plants to not be financially viable in one region is not the same across the nation."

#### 31. New CEO for the Northwest's only nuclear plant

<u>Tri-City Herald</u> (Cary) reported that "a temporary chief executive officer has been named for the agency that operates the only nuclear power plant in the Pacific Northwest, the Columbia Generating Station near Richland." The article indicated that Brad Sawatzke, "the plant's chief operating officer and chief nuclear officer, has been named interim CEO, starting at the end of the month, by the Energy Northwest Executive Board."

# **Environmental Management/ Nuclear Waste Storage**

## 32. DOE cleanup head nominee could be confirmed this week, official says

Exchange Monitor reported that Anne Marie White "could be confirmed this week as assistant secretary of energy for environmental management, and in the meantime has already started working as an adviser at the Energy Department, a DOE official said Monday." According to Jim Colgary, chief of staff to Deputy Energy Secretary Dan Brouillette, the article continued, "she has reported to DOE" in a "senior advisory role," and "is in the building." The article indicated that Ms. White, "an energy consultant with longstanding ties to the DOE complex, is not doing any of the duties of the 'EM-1' position, but is advising Energy Secretary Rick Perry on general policy," and "is now a limited-term member of the Senior Executive Service." The article noted that "having cleared the Senate Energy and Natural Resources Committee and the Senate Armed Services Committee, White was still facing a hold last week by Sen. John Barrasso (R-Wyo)," who "is using the hold to press DOE to stop trading excess government uranium to help finance cleanup of the Portsmouth Site in Ohio." Sources, the article added, "have said DOE officials have been communicating with Barrasso to address his concerns."

## 33. New manager named for troubled Hanford demolition project

<u>Tri-City Herald</u> (Cary) reported that "leadership for the troubled Plutonium Finishing Plant demolition project at Hanford is switching again." The article indicated that John Lehew, "who was the president of contractor CH2M Hill Plateau Remediation Co. from 2008-12, has been named to manage the preparations to restart demolition of the highly contaminated plant."

# 34. "Dig it up" popular demand at West Valley scoping session

<u>Salamanca Press</u> (Miller) reported that speakers "urged U.S. Department of Energy to 'do a complete cleanup at West Valley' at the first of three scoping sessions on the phase 2 cleanup of the West Valley Demonstration Project." According to the article, "many attendees asked for all radioactive and

hazardous waste at the site be exhumed and contained in above ground retrievable storage until an offsite disposal area is available."

#### 35. Idaho Cleanup Project seeks public input

<u>Local News 8</u> reported that the Idaho Cleanup Project Citizens Advisory Board "will accept public comment on a proposal to expand the project's mission in Idaho." According to the article, the Advanced Mixed Waste Treatment Project "was designed to treat, characterize, package and ship transuranic and mixed low-level waste that has been stored in Idaho since the 1970's," and the plant "is expected to complete treatment of Idaho waste by the end of this year." Now, the article indicated, DOE "is considering an extension of the Treatment Facility's mission to accommodate waste from other DOE sites."

# 36. This father-daughter team says it has a cheaper, safer way to bury nuclear waste

Bloomberg Businessweek (Vance) reported that Richard and Elizabeth Muller "have come up with one of the more unusual father-daughter businesses in recent memory." According to the article, "on March 20 they announced a startup called Deep Isolation that aims to store nuclear waste much more safely and cheaply than existing methods." The article pointed out that the "key to the technology, according to the Mullers, is to take advantage of fracking techniques to place nuclear waste in 2-mile-long tunnels, much deeper than they've been before—a mile below the Earth's surface, where they'll be surrounded by shale."

# 37. Autonomous robots will crawl inside pipes at former U.S. nuclear sites to detect radiation, speed up process of dismantling

GeekWire (Bishop) reported that "robotics pioneers from Carnegie Mellon University, who made their mark in the aftermath of the Three Mile Island and Chernobyl nuclear disasters, are revisiting their heritage with a cutting-edge new robotics project at former U.S. Department of Energy nuclear facilities." According to the article, the team at Carnegie Mellon's Field Robotics Center has "developed two new robots, dubbed 'RadPiper,' that can drive autonomously through pipes at former nuclear plants to detect and measure uranium deposits on the interior walls." The article pointed out that this detection "is a key step in the process of decontaminating, decommissioning and ultimately dismantling former nuclear facilities," adding DOE "paid CMU \$1.4 million to develop the robots."

# **Nuclear Weapons/Security**

# 38. Nuclear warhead manager seeks FY19 funding for new nuke designs

<u>Defense News</u> (Mehta) reported that the agency in charge of "managing America's nuclear warheads is in discussions with the Office of Management and Budget about getting funding to start work on two new nuclear capabilities sought by the Trump administration." But "while the Pentagon has identified those two systems as vital to national interests, and has set aside \$22.6 million in fiscal 2019 for a low-yield ballistic warhead," the article continued, the NNSA's budget request for FY19 "doesn't contain any funds to support that work." The article indicated that NNSA officials "did not clarify how they would go about getting that money added to the budget request, but it could come as either a supplemental request from the administration or through Congress during the authorization and appropriations process." The article added that members of the House Energy and Water Development, and Related Agencies Subcommittee "seemed open to that option during Tuesday's hearing, with several members saying they looked forward to talking with the agency officials in a smaller setting."

#### 39. Senators signal resistance to proposed low-yield nukes

Defense One (Houck) reported that "two of the latest Nuclear Posture Review's most headline-grabbing proposals — to develop a lower-yield ballistic-missile warhead and a new submarine-launched cruise missile — are running into resistance in a key Senate committee." According to the article, "several Democratic senators on the Armed Services Committee, which would have to approve the new weapons' development, expressed concerns," specifying that two of the latest NPR's "most headline-grabbing proposals — to develop a lower-yield ballistic-missile warhead and a new submarine-launched cruise missile — are running into resistance in a key Senate committee." Beyond the policy debate, the article continued, "there's currently a procedural gap preventing the development from moving ahead," because "current U.S. law requires the Energy Department to request Congressional authorization and appropriations for the development of any new or modified nuclear weapons," but while the Pentagon asked for "some \$22 million in its 2019 budget request to begin developing the new weapons, checking the appropriations box, (...) the Energy Department didn't request the accompanying authorization in its own submission."

## 40. MOX is "nowhere close" to being 50 percent complete, NNSA chief says

<u>Aiken Standard</u> (Demarest) reported that the leader of the NNSA "told a U.S. House Appropriations subcommittee Tuesday she believes the Mixed Oxide Fuel Fabrication Facility at the Savannah River Site is 'nowhere close' to 50 percent complete." According to the article, Ms. Gordon-Hagerty's claim, "which she said she was 'confident' in because it's sourced from information provided by a federal project manager, means she is entering the ongoing MOX completion melee." On Tuesday, the article added, the NNSA administrator said her administration is working alongside Sec. Perry "to produce official plans to shutter MOX."

## 41. David Trimble: NNSA facing growing challenges with even its crucial missions

<u>Federal News Radio</u> featured an interview with David Trimble, director of natural resources and environment issues at the Government Accountability Office, in which he explains NNSA's challenges. According to the description, "while not a household word, the National Nuclear Security Administration has some crucial missions:" It "maintains the U.S. nuclear weapons stockpile, deals with environmental cleanup and implements non-proliferation programs," adding that it "has challenges in all three areas and then some."

## 42. Sandia denies cooperation with Cambridge Analytica

<u>Bloomberg Politics</u> (Baker, Kocieniewski, Smith) reported that Cambridge Analytica "has repeatedly overstated its political and military connections," and its website "used to say its methodology had been approved by NATO and other defense organizations around the world, including Sandia National Laboratories, which works closely with the U.S. Department of Defense." The article noted that Sandia "disputed that characterization, saying that it consulted with SCL on its methods a decade ago but never did any formal evaluation or worked together on any projects."

# 43. Sandia conducts 14,500 mile test to gauge the safety of transporting spent nuclear fuel

<u>Daily Energy Insider</u> (Kovaleski) reported that "to test the safety of transporting spent nuclear fuel to a permanent disposal site, Sandia National Laboratories completed a 14,500-mile trek to gather data on the bumps and jolts spent nuclear fuel experiences during transportation." According to the article, the "goal of this endeavor was to gather data that could be used to demonstrate the safe transportation of

spent nuclear fuel." Sandia, the article indicated, "collaborated on the test with Equipos Nucleares S.A. (ENSA), the Spanish cask designer and manufacturer, and Empresa Nacional de Residuos Radiactivos S.A. (ENRESA), the company responsible for nuclear waste management in Spain." The article added that the "Korea Radioactive Waste Agency (KORAD), Korea Atomic Energy Research Institute (KAERI), and Pacific Northwest and Argonne national laboratories also took part."

#### 44. LANL finishes treating drums of radioactive waste

<u>AP</u> (Montoya Bryan) reported that workers at LANL "have finished treating more than two dozen drums of waste containing some of the same ingredients that caused a 2014 radiation release at the federal government's underground repository, the U.S. Energy Department announced Tuesday." According to the article, agency and lab officials in an online newsletter "called the treatment of the 27 drums a milestone for the Northern New Mexico lab as it works to clean up contamination." The article added that the containers of nitrate salt waste "had not previously been treated, so crews over the last three months mixed the waste with water and an inert material to neutralize the contents' reactive characteristics."

#### 45. USS Los Alamos could be name of nuclear sub

<u>Santa Fe New Mexican</u> (Terrell) reported that "all five members of New Mexico's congressional delegation this week asked Secretary of the Navy Richard Spencer to name the next Virginia class fast-attack submarine 'USS Los Alamos' in recognition of the contributions the city and its national laboratory have made to the United States Navy." AP picked up the story and the article was published in local media outlets such as <u>KOB 4</u> and <u>Las Cruces Sun News</u>.

# 46. For first time in 30 years, Savannah River dissolving spent nuclear fuel from ORNL reactor

Oak Ridge Today (Huotari) reported that "for the first time in 30 years, spent nuclear fuel from the High Flux Isotope Reactor at Oak Ridge National Laboratory has been dissolved at the Savannah River Site in South Carolina." According to the article, the work is important "because it is expected to allow the reactor, known as HFIR, to continue its mission." The article added that "ORNL will reach its maximum capacity for storing HFIR fuel in fiscal year 2020, the DOE Office of Environmental Management, or EM, said in an 'EM Update' electronic newsletter on Tuesday."

#### 47. Improvements to begin on roads leading to WIPP

KRQE reported that the roads and highways "around WIPP are about to get some much needed attention." According to the article, the state "received \$27 million as part of the settlement with the Department of Energy following the radiation leak at WIPP." That money, the article indicated, "will be used to make improvements to state roads 176 and 18, and highways 285 and 60." The article added that the governor's office says the construction "will begin soon and continue through next year."

# 48. U.S. training for arctic nuclear satellite disaster amid Russian weapons developments

The Drive (Trevithick) reported that the U.S. military, "along with other federal and state authorities, has been training to respond to potentially dangerous releases of radioactive material in and around the Arctic," and although "there is no clear indication of a direct link between Russia's reported tests of nuclear-powered missiles or expanding use of nuclear power in the region, it is hard not to see these exercises in connection with those developments." The article pointed out that U.S. military and other agencies "practicing specifically to handle a radiological incident in the region seems even more

noteworthy in light of a number of recent events." Most importantly, the article emphasized, "are Russian claims that it has been testing a cruise missile with theoretically unlimited range that uses a nuclear reactor-powered propulsion system in the Arctic." The article added that "anonymous U.S. government officials have since told various media outlets that this is true, but that the weapons have been crashing, potentially spreading radioactive material and components."

# 49. Russia to use SS-19 ICBMs as carriers for Avangard hypersonic glide vehicles — source

Russia's state-sponsored <u>TASS</u> reported that "Soviet-made UR-100N UTTKh (NATO reporting name: SS-19 Stiletto) intercontinental ballistic missiles (ICBMs) will be the first carriers for hypersonic glide vehicles of Russia's most advanced Avangard missile system, a source in the Russian defense industry told TASS on Tuesday."

According to the article, the UR-100N UTTKh (SS-19 Stiletto) missile is "a heavy upgrade of the UR-100 missile complex developed in the Soviet Union in the 1960s by the Design Bureau-52 led by Vladimir Chelomei," noting that it "was accepted for service in 1980." Currently, the article indicated, Russia's Strategic Missile Force "operates 30 silo-based missiles of this type," adding that the missile "has a takeoff weight of about 100 tonnes and a throw weight of around 4.5 tonnes." National Interest (Majumdar) reported that "as the massive Sarmat—which is powerful enough to fly a South Pole route towards American targets—becomes operational, it too will be used to deliver the Avangard." The article indicated that the Avangard "will apparently be equipped with a single massive thermonuclear warhead with a yield exceeding two megatons," adding that "with a yield that high, the Avangard will have considerably greater destructive power in an individual warhead than a typical modern ICBM, which have smaller yields usually no more than 500 kilotons."

## 50. No longer a secret: How Israel destroyed Syria's nuclear reactor

Israel's <u>Haaretz</u> (Harel, Benn) reported that "a large, cubical building that was still under construction in the heart of the Syrian desert, not far from Deir al-Zour, was a focus of the Israeli defense establishment starting from the end of 2006," and that as "the months went by, the suspicion grew that beneath the broad roof of the building hid President Bashar Assad's secret flagship project: a nuclear reactor produced in North Korea, intended to provide the younger Assad with the achievement that had eluded his father, Hafez Assad, on the battlefield and between wars – and to lead toward a point of strategic balance that could cancel out Israel's clear military and technological advantage." The lengthy article then describes how a cell of Mossad agents from the Keshet unit broke into the apartment of a key Syrian official and within less than an hour "vacuumed up" the information that was on the Syrian official's personal computer, which made the operation to destroy the reactor possible. The article detailed the military preparations and coordination with the U.S., leading to a military operation that stopped the Syrian-North Korean nuclear project.

## 51. Why oil-rich Saudi Arabia is turning to nuclear power

Bloomberg (Habboush, Stanley) reported that "with the world's second-biggest proven reserves of oil, Saudi Arabia seems an unlikely aspirant to the nuclear-energy club." Yet, the article continued, "the largest oil exporter plans to build at least 16 nuclear reactors over the next 25 years at a cost of more than \$80 billion," because the Saudis "see atomic energy as a way to ease their dependence on finite fossil fuels," but they are "also driven by competition with their rival Iran, which has multiple nuclear facilities." The article pointed out that "whatever the motivation, the turn to nuclear power by Saudi

Arabia, and several other countries in Middle East, raises the risk of a nuclear arms race in the most unstable part of the world."

# 52. China's growing submarine force is "armed to the teeth" — and the rest of the Pacific is racing to keep up

<u>Business Insider</u> (Woody) reported that "since 2002, China has built 10 nuclear subs: six Shang I- and II-class nuclear-powered attack subs — capable of firing antiship and land-attack missiles — and four Jin-class nuclear-powered ballistic missile subs, according to a 2017 US Defense Department assessment," noting that "China's four operational JIN-class SSBNs represent China's first credible, seabased nuclear deterrent.". Countries in the region, the article indicated, reacted by increasing their own submarine fleets, among them Vietnam, Japan, Indonesia, and India.

#### **Science**

#### 53. Column: Women play key role at nation's lead nuclear R&D laboratory

<u>Idaho State Journal</u> and <u>Post Register</u> published a column by Donna O'Kelly in which she stated that March is Women's History Month, "and that's a big deal at Idaho National Laboratory, because women have played an important role in developing what would, in 2005, become the nation's lead nuclear research and development laboratory." According to the article, "at the INL of the 1950s and '60s, female employees were mostly support staff, working in areas such as budgeting and accounting, and as secretaries," and "today, many capable women continue to fill those important roles," but "have expanded their reach and increasingly fill research, engineering and administrative positions."

## 54. DOE resumes Oak Ridge facility tours

<u>Knoxville News Sentinel</u> (Crocker) reported that the "reservation-wide tours begin at the American Museum for Science and Energy and visit all three historic Manhattan Project sites in Oak Ridge." According to the article, "visitors can get a first-hand look at federal research work going on in the city today and explore the lives of those who lived and worked behind the Secret City's fences 70 years ago. "

# Climate Change/Global Warming

# 55. Tougher climate policies could save a stunning 150 million lives, researchers find

<u>Washington Post</u> (Fears) reported that "there is an overlooked benefit to greatly lowering carbon emissions worldwide, a new study says." In addition to preserving Arctic sea ice, the article continued, "reducing sea-level rise and alleviating other effects of global warming, it would probably save more than 150 million human lives." According to the study, the article added, "premature deaths would fall on nearly every continent if the world's governments agree to cut emissions of carbon and other harmful gases enough to limit global temperature rise to less than 3 degrees Fahrenheit by the end of the century."

## 56. McDonald's sets climate target

<u>Axios</u> (Harder) reported that McDonald's "is announcing today its first-ever target addressing climate change, seeking to cut greenhouse gas emissions of its restaurants and offices by 36% in the next 12 years." The article pointed out that "as one of the most recognizable brands on Earth, what McDonald's does matters more than most," and the fact" it's putting forth a concrete target, based on 2015 emissions

levels, is the latest and one of the strongest signs yet of how corporate America is taking steps to address the issue despite the Trump administration reversing course."

#### **National News**

## 57. Student gunman dies after Maryland school shooting; two other students injured

<u>Washington Post</u> (Hedgpeth, Jouvenal) reported that "a student opened fire at Great Mills High School in Southern Maryland Tuesday morning, critically injuring two other students before he was confronted by a school resource officer, according to the St. Mary's County Sheriff's Office."

## 58. Two more explosive devices rattle Texas after Austin bombings

<u>Wall Street Journal</u> (Ailworth, Gold, Kamp) reported that "two more explosive devices in Texas, one that blew up inside a FedEx Corp. facility outside San Antonio, and another found unexploded at a FedEx site in Austin, kept the region on edge Tuesday as the investigation intensified."

# **Washington Schedule**

Upcoming energy-related events in the Washington, D.C. area

Date	Host	Title
03/23	EnergySec	Distribution Security Forum
03/23	Linergybee	Distribution occurry Forum
03/26	Clean Energy	Blockchain: A Digital Technology for the
	Leadership Institute	Clean Energy Economy?
03/27	Federal Real	Real Property at the DoE and Workplace
-3/ =/	Property	Transformation
	Association	
03/29	IWP	Improving Energy Security
04/12	Energy	2018 ECA Annual Conference: Securing
	Communities	<u>Progress at DOE</u>
	Alliance	
04/30-05/02	National	Waterpower Week
	Hydropower	
	Association	
06/25	IEA	Publication: Gas 2018
and States		

From: DOECAST

Sent: Wednesday, April 04, 2018 2:14 PM

**Subject:** Reporting Fraud, Waste and Abuse to the Office of Inspector General



U.S. Department of Energy Office of Inspector General Notice Pursuant to DOE Order 221.1B

Issued: March 2018

#### Reporting Fraud, Waste and Abuse to the Office of Inspector General

Pursuant to DOE Order 221.1B, "Reporting Fraud, Waste, and Abuse to the Office of Inspector General," this message serves as notification to all Department of Energy (DOE) employees, including the National Nuclear Security Administration, and Federal Energy Regulatory Commission employees, of their duty to report actual or suspected violations of law, regulation, or policy to the DOE Office of Inspector General (OIG) or other appropriate authorities. Such reports include allegations of fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement relating to DOE programs, operations, facilities contracts, or information technology systems.

Violations of the ethical restrictions that apply to Federal employees, including the Standards of Conduct for Employees of the Executive Branch, may be reported to the appropriate supervisor, Ethics Counselor, or directly to the OIG. Information regarding espionage, including approaches made by representatives of other governments for the commission of espionage or the collection of information, should be reported to the Deputy Director of Counterintelligence.

Violations of the Whistleblower Protection Enhancement Act of 2012, which prohibits retaliation against Federal employees who disclose wrongdoing, may be reported to the Office of Special Counsel or directly to the OIG. Employees of contractors, subcontractors, personal service contractors, and grantees can file whistleblower retaliation complaints with the OIG for certain disclosures relating to Federal contracts and grants. Additionally, the Intelligence Authorization Act for Fiscal Year 2014 provides statutory protections for Federal whistleblowers with access to classified information. To educate individuals about prohibitions on retaliation for protected disclosures and their rights and remedies if they have been retaliated against for making protected disclosures, the OIG has established a Whistleblower Ombudsman. The OIG Whistleblower Ombudsman is not permitted to act as a legal representative or advocate on behalf of individuals.

Notwithstanding any other provision, individuals may report incidents or information directly to the OIG at:

1-800-541-1625 (toll free)

(202) 586-4073 (commercial)

(202) 586-4902 (fax)

ighotline@hq.doe.gov (Hotline email)

IGOmbudsman@hq.doe.gov (Ombudsman email)

## http://www.energy.gov/ig/complaint-form (web form)

U.S. Department of Energy (mail) Office of Inspector General

ATTN: Hotline

1000 Independence Avenue, SW

Mail Stop: 5D-031 Washington, DC 20585

Please see the referenced DOE Order for additional reporting requirements

at: https://www.directives.doe.gov/directives-documents/200-series/0221-1-border-b/@@images/file

From: Scott Modell <scott.modell@rapidanenergy.com>

Sent: Wednesday, April 11, 2018 1:07 PM

To: Brouillette, Dan

Subject: Rapidan Geopolitical Brief: Iran - Internal Color, Succession, and Yemen

RAPIDAN GEOPOLITICAL BRIEF: IRAN - INTERNAL COLOR, SUCCESSION, AND YEMEN April 11, 1:04 PM

This note provides a look at several issues pertaining to Iranian internal politics, including Supreme Leader succession and Khamenei's recent rejection of a request from President Rouhani to tone down Iran's support to Houthi rebels in Yemen. (We have a separate report coming out tomorrow on the rising risks of the war in Yemen on Saudi Arabia's oil infrastructure.)

Market impact: Crude bullish headline risk.

The IRGC's first succession trial balloon: The head of IRGC Intelligence, Hossein Taeb, distributed a letter asking the Assembly of Experts, which oversees succession of the Supreme Leader, to name the Supreme Leader's second son, Ayatollah Mojtaba Khamenei, as Khamenei's successor. This is the first public attempt by one of the regime's strongest factions to gauge support for Mojtaba Khamenei. Taeb's move suggests the struggle is about to heat up among hardliners over succession - the region's most important leadership change since Khamenei became the Supreme Leader in 1989.

Khamenei on Yemen: Rouhani met Khamenei to discuss Iran's role in Yemen. He asked if Khamenei would support temporarily reducing Iran's support to the Houthis as part of a broader moderation of foreign policy. Rouhani stressed that Iran's ability to attract FDI depended on reining in controversial areas of foreign policy. Khamenei refused, citing pressure from the IRGC which plans to continue its role in Yemen and noting that the IRGC has already throttled back its harassment of US naval vessels in the Gulf. (Rouhani has been unable to weaken the symbiosis of Khamenei, the House of the Supreme Leader, and the IRGC.)

<u>Purging people, crippling communications</u>: Khamenei made two controversial moves last week: 1) to censor Telegram, Iran's most popular social media networking site (over 40M users) by April 20, and 2) to remove Tehran Mayor Ali Najafi. Telegram has served as connective tissue for Iranians with anti-regime views. Pres. Rouhani criticized the decision as a violation of free speech, but noted that it was just another hit to the economy - more than 200,000 Iranians rely on the app to generate income. Pressure from Khamenei and regime security elements led Najafi to resign, despite opposition by the Tehran City Council. Hardliner house cleaning.

IRGC's hold on the economy: Tehran approved a new round of privatization (including the oil industry). Khamenei's call on the IRGC to sell its stakes in industries that are not connected to national defense was propaganda: IRGC companies are the only ones with the capital to invest, while IRGC-linked individuals continue to register for new E&P projects.

IRGC concerns of clashes between Israeli and Hezbollah: Discussions of a possible military encounter between Israel and Hezbollah are becoming increasingly common in the IRGC and House of the Supreme Leader. They often refer back to comments made by the head of Israeli Army commander Major General Kobi Barak who noted the likelihood of war sometime this year. (Contrary to widespread speculation, Iran is not gunning for a direct conflict with Israel.)

Apathy, fear, and protests, but no Persian Spring: Oil revenues continue to drive slightly higher GDP growth, while unemployment and inflation are not as bad as other countries in the region. Yet, the rich-poor income disparity is widening, the rial is weakening, Central Bank constraints on cash withdrawals and transfers are continuing, banks and factories closing, subsidies are decreasing, and the gray and black markets are growing - all contributing to widespread social aggravation, disillusion (Rouhani hasn't delivered), and occasional protests, but apathy, fear, and the lack of an organized opposition movement prevent a nationwide "Persian Spring."

<u>Politics swing right as expectations of reform fall</u>: The middle class that makes up more than half of Rouhani's support base is increasingly skeptical that he can deliver on promises of reform and economic growth. Having ushered through very limited social freedoms, most of the middle class has concluded the next president will be a conservative. Local politicians are also sensing that liberal and reformist ideas are giving way to moderately conservative platforms. The reform movement lacks a clear successor to Rouhani - someone popular and strong enough to challenge the regime.

Society (less than the regime) fears social explosion: The January protests scared the middle class in Iran and were a wake up call to Iran's security services. Both sense that the lower classes will drive the next revolution in Iran. Unlike the 2009 Green Movement, which sought change within the existing regime, the latest protests reflect a desire for an entirely new system. As a result, students, intellectuals and the middle class are increasingly looking for opportunities to move out of the country to avoid living through another revolution. On the other hand, the ruling elite doesn't expect social uprisings or even significant change/reform:

- The Supreme Leader will not bless any serious attempts to introduce socio-economic changes, as they will require reconsideration of core ideological principles;
- Iranian elites will not be able to reach consensus regarding deep structural reforms and expect confrontation with the West to continue:
- 3. The IRGC profits from the economic status quo and thus far Rouhani has not managed to significantly undermine IRGC influence:
- 4. No one in Iran expects US sanctions to go away anytime soon and the regime's countermeasures have no effect;
- 5. Sanctions also remain a serious obstacle for developing business development with Europe; Iran lacks the technological and financial capacity to develop its economy, just oil revenues to keep it afloat; and
- NIOC debt to contractors (~\$60 million) is growing. Local service companies refuse to work with IRGC companies in oil and gas sector projects because they are unreliable and present sanctions risk.

Please contact the Geopolitical Risk Service (geopolitics@rapidanenergy.com) for additional information.

(The content of this report relies on insights obtained from Rapidan Energy Group's global network. It is comprised of raw insights designed to provide clients with a timely and differentiated view from inside the respective country. As such, insights can be highly dynamic and subject to change over time.)



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From: Ron Vadala < rvadala@powertrain.com>
Sent: Thursday, June 07, 2018 5:18 PM

To: Brouillette, Dan

**Subject:** New message from Ron Vadala

Overdue Mandatory Training – Complete NLT 29 June 2018

You're receiving this email because our reports show that you have not completed your mandatory training, **Supervisory Whistleblower Protection/Prohibited Personnel Practices (PPP) Briefing.** This course is an annual requirement for all supervisors. Training must be completed not later than Friday, 29 June 2018.

#### **Instructions for Learning Nucleus:**

DOE federal employees can access the Learning Nucleus directly from the Employee Self Service (ESS) without a separate username and password.

- 1. Log onto ESS at <a href="https://ess.doe.gov/">https://ess.doe.gov/</a>
- 2. Under the ESS menu bar, click Training > Access Training > Learning Nucleus (LN). The LN Welcome Page will open.
- 3. Click the "Connect to Learning Nucleus" button at the bottom of the page. You will then be directed to your LN Dashboard.
- Scroll down to find Supvy Whistleblower/PPP Brief under the "Course Overview".
- 5. To start the training, click the course title, Supvy Whistleblower/PPP Brief.

NOTE: To get credit for completing the training, you must retrieve your certificate. Click on "Certificate of Completion" for your training completion to be recorded.

If the course is not in your Learning Nucleus "My Courses" and/or you need technical assistance, please contact the Learning Nucleus Help Desk. <u>Submit online support request ticket or support@usalearning.net</u>. You may also call 202-753-0845, or toll free at 833-200-0035 (Monday-Friday, 8:30 AM-6:00 PM EST).

Please complete the training **no later than 29 June 2018.** If you have any questions about the mandatory training program, please contact Donna Hodnett, 301-903-9874.

John Walsh

Director, Office of Talent Management & Chief Learning Officer

US Department of Energy

202-287-5774

\_\_\_\_\_

This is a copy of a message sent to you at "LearningNucleus". Go to https://learningnucleus.energy.gov/message/index.php?user=8752&id=5 to reply.

From: Learning Nucleus Administrator <noreply@learningnucleus.energy.gov>

**Sent:** Friday, June 08, 2018 3:18 PM

To: Brouillette, Dan

**Subject:** New message from Learning Nucleus Administrator

Our apologies if you already received our earlier reminder. This email has an added subject line to improve our communications to you.

You're receiving this email because our reports show that you have not completed your mandatory training, **Supervisory Whistleblower Protection/Prohibited Personnel Practices (PPP) Briefing.** This course is an annual requirement for all supervisors. Training must be completed not later than Friday, 29 June 2018.

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Please complete the training <b>no later than 29 June 2018.</b> If you have any questions about the mandatory training program, please contact Donna Hodnett, 301-903-9874.
John Walsh
Director, Office of Talent Management & Chief Learning Officer
US Department of Energy
202-287-5774
This is a copy of a message sent to you at "LearningNucleus". Go to https://learningnucleus.energy.gov/message/index.php?user=8752&id=5 to reply.

From: Learning Nucleus Administrator <noreply@learningnucleus.energy.gov>

Sent: Wednesday, June 27, 2018 9:59 AM

To: Brouillette, Dan

Subject: Overdue Mandatory Training – Complete NLT 29 June 2018

#### **CLO Message:**

You're receiving this email because our reports show that you have not completed your mandatory training, **Supervisory Whistleblower Protection/Prohibited Personnel Practices (PPP) Briefing.** This course is an annual requirement for all supervisors. Training must be completed not later than Friday, 29 June 2018.

#### **Instructions for Learning Nucleus:**

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- 4. Scroll down to find **Supvy Whistleblower/PPP Brief** under the "Course Overview".
- 5. To start the training, click the course title, **Supvy Whistleblower/PPP Brief**.

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Please complete the training **no later than 29 June 2018.** If you have any questions about the mandatory training program, please contact Donna Hodnett, 301-903-9874.

John Walsh

Director, Office of Talent Management & Chief Learning Officer

US Department of Energy

202-287-5774

From: (b) (6)

Sent: Friday, February 16, 2018 3:13 PM

**To:** (b) (6)

Subject: FW: Thank you

Attachments: WaPo Cordish Leaving White House.pdf

From: Cordish, Reed S. EOP/WHO (b) (6) Date: Friday, Feb 16, 2018, 8:43 AM To: Cordish, Reed S. EOP/WHO (b) (6)

Subject: Thank you

Hi everyone, Please find attached an article that came out this morning referring to my upcoming transition back to the private sector. Having the opportunity to serve the Country in this Administration and work with truly exceptional people has been the greatest honor of my life. The article mentions some of the great Administration achievements I have had the privilege to work on that so many of you have been instrumental in delivering.

Knowing that we have a star in Brooke Rollins, the current President & CEO of Texas Public Policy Foundation, transitioning into OAI as I transition gives me such great confidence of the continued progress.

Thank you all for your guidance, support, skill, and friendship.

All the best,

Reed

(Personal information: (b) (6) ; (b) (6)

Trump tech adviser Reed Cordish leaving the White House

Trump tech adviser Reed Cordish is leaving the White House



Ivanka Trump (L) and Reed Cordish (R), assistant to President Trump, attend a meeting with CEOs of manufacturing companies in the State Dining Room of the White House last year. (Michael Reynolds/EPA)

By Jonathan O'Connell February 16 at 9:00 AM Email the author

A senior Trump administration adviser on government-to-government and technology initiatives is stepping down, the latest of more than a dozen top officials to depart the White House in little more than a year.

Reed S. Cordish is leaving his post as assistant to the president in the Office of American Innovation, where he is being replaced by Brooke L. Rollins, the White House said this week. Rollins is a former aide to Energy Secretary Rick Perry, from his time as Texas governor. She joins the White House from the Texas Public Policy Foundation, a conservative think tank that advocates for criminal justice reform and free enterprise.

Cordish, 43, a close friend of Jared Kushner and Ivanka Trump, played a central role in shaping the administration's <u>infrastructure</u> plan with the aim of passing it this spring.

He said in an interview that he never planned to remain with the administration more than a year and that his role forging infrastructure and workforce policy was complete. He plans to return to his family's Maryland real estate company.



Department of Veterans Affairs.

President Trump explains a chart of the regulatory process to build a highway during after a town hall with business leaders in the South Court Auditorium on the White House complex in Washington, DC on Tuesday, April 04, 2017. From left are, DJ Gribbin, special assistant to the president for infrastructure policy, Trump, and Reed Cordish, assistant to the president for intragovernmental and technology initiatives. (Jabin Botsford/The Washington Post) "We did consensus-building and crafted legislative principles on initiatives like workforce and infrastructure, which are being transmitted to Congress this month," he said. Cordish served on President Trump's transition committee and although he had no government experience oversaw a wide breadth of White House projects involving subjects such as science, technology, engineering and math education and issues within the

The infrastructure plan aims to stimulate \$1.5 trillion in spending on roads, bridges, waterways and other public works projects. Critics say the plan does not have a viable funding source and that Trump's proposed budget cuts more federal infrastructure spending than the plan adds, an assertion budget officials dispute.

Cordish also served as a conduit to private sector leaders and helped shaped memorandums signed by Trump aimed at emphasizing computer science education and expanding apprenticeships. He said during his time in the White House he spoke with more than 300 chief executives from companies of all sizes about their difficulty finding necessary workers in a tight labor market.

"When we first came into office we did not come in with the idea that workforce was going to be a high priority of the administration," he said. "The workforce initiative really came out of those conversations. What they kept saying is it's great you're going to do tax reform, but we can't find workers with the skills that match available jobs."

After working with Internet giants such as Facebook and Google, Cordish said tech firms collectively <u>committed in September</u> to providing more than \$300 million to computer science education programs.

Cordish said he also helped facilitate an agreement for electronics maker Foxconn to build a planned \$10 billion factory in Southeastern Wisconsin, where the company will receive \$3 billion in state incentives.

Some economists have pilloried the deal as a taxpayer-funded corporate giveaway. Federal and local officials have defended the subsidies as worth the 10,000 jobs Foxconn says it will create.

Kushner issued a statement saying Cordish had been "invaluable" to the administration and praising Rollins.

"Reed and I have been working closely with Brooke Rollins in her role as president and CEO of Texas Public Policy Foundation on Prison Reform, and she is well prepared to continue executing on our key initiatives," Kushner said.

Rollins will begin near the end of the month, according to the White House. *Staff writer John Wagner contributed.* 

Reed S. Cordish
Assistant to the President
White House Office of American Innovation
(b) (6) (Direct)
(b) (6)

From: (b) (6)

**Sent:** Monday, March 19, 2018 10:50 AM

To: Almstead, Deidre

Subject: FW: Attendees for Wed Dinner

----Original Message----

From: Harmsen, Breanne M. EOP/OVP [mailto:(b) (6)

Sent: Friday, March 16, 2018 10:08 AM

To:(b)(6) (b)(6)

Cc: O'Hara, Joan V. EOP/OVP (b) (6) ; Ayers, Nick N. EOP/OVP (b) (6)

Subject: RE: Attendees for Wed Dinner

(b)(5)

-----Original Message-----From: Ayers, Nick N. EOP/OVP

Sent: Friday, March 16, 2018 9:19 AM

To:(b)(6) (b)(6)

Cc: Harmsen, Breanne M. EOP/OVP (b) (6) ; O'Hara, Joan V. EOP/OVP

(b)(6)

Subject: Re: Attendees for Wed Dinner

Bre pls send

> On Mar 16, 2018, at 9:16 AM, (b) (6) (b) (6) wrote:

>

> Nick - thanks for the invite to the dinner on Wednesday with the VP and MBS. I'm looking forward to it, do you have the list of attendees?

> > RP >